



AGENDA
CITY OF NORCO
CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
NOVEMBER 18, 2009

- CALL TO ORDER: 7:00 p.m.
- ROLL CALL: Mayor Kathy Azevedo
Mayor Pro Tem Malcolm Miller
Council Member Frank Hall
Council Member Berwin Hanna
Council Member Richard L. MacGregor
- PLEDGE OF ALLEGIANCE: Mayor Azevedo
- INVOCATION: Pastor Vernie Fletcher
Grace Fellowship Church
- PROCLAMATION: Gunnery Sergeant Cody A. Wenner
United States Marine Corps - Retiring
- PRESENTATIONS: Concert in the Park Summer Series
Corona-Norco United Way
- Recognition of Outgoing City Council Members
Council Member Frank Hall
Council Member Richard L. MacGregor

REGULAR COMMUNITY REDEVELOPMENT AGENCY (CRA) AGENDA AS FOLLOWS:

Next CRA Resolution No. 2009-18

1. CRA CONSENT CALENDAR ITEMS: *(All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Agency, any public comments on any of the Consent Items will be heard. There will be no separate action unless Members of the Agency Board request specific items be removed from the Consent Calendar)*
 - A. CRA Minutes, Regular Meeting of November 4, 2009. **Recommended Action: Approve the CRA Minutes** (City Clerk)
 - B. Approval of Fiscal Year 2008-09 Annual Report of Financial Transactions of the Norco Redevelopment Agency Project Area No. One. **Recommended Action: Approval** (Deputy City Manager/Director of Finance)

- C. Acquisition Agreement for 1885 Valley View Avenue for the Second Street Widening Project. **Recommended Action: Adopt CRA Resolution No. 2009-___, authorizing the approval of an Acquisition Agreement in the amount of \$4,455.00 and accept the offer of street dedication of real property at 1885 Valley View Avenue (APN 125-190-005) for frontage on Second Street in exchange for future excess street right-of-way on Valley View to facilitate the Second Street Widening Project, and authorizing the Agency to enter into escrow for said property and future exchange.** (Director of Public Works)

2. JOINT CRA/CITY COUNCIL PUBLIC HEARING:

- A. Development of 122 Acres of Property Known as the Silverlakes Equestrian and Sports Park:
 - a. Norco Silverlakes Ground Lease between the City of Norco and the Norco Redevelopment Agency.
 - b. Norco Silverlakes Ground Sub-Lease between the City of Norco and Belstarr Sports Management, LLC.
 - c. Shared Use Agreement between the City of Norco and Belstarr Sports Management, LLC.
 - d. Report of the Norco Redevelopment Agency concerning the disposition of the Redevelopment Agency property pursuant to California Health & Safety Code Section 33433.
 - e. Report of the Norco Redevelopment Agency concerning disposition of Redevelopment Agency property pursuant to California Health & Safety Code Section 33679.
 - f. Amendment to Conditional Use Permit No. 2008-09.
 - g. Review of draft Development Agreement among the City of Norco, Norco Redevelopment Agency and Belstarr Sports Management, LLC.
 - h. Resolution to Adopt Finding that the Silverlakes Sports and Equestrian Park project is consistent with the Deed Restriction on the 122-acre Silverlakes property.

Recommended Action: The approvals of the above-listed actions are recommended to be continued to a Joint Public Hearing on December 16, 2009. (City Manager)

3. OTHER CRA MATTERS:

ADJOURNMENT OF CRA:

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

Next Ordinance No. 913
Next Resolution No. 2009-84

4. CITY COUNCIL CONSENT CALENDAR ITEMS: *(All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Council, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Council or the audience request specific items be removed from the Consent Calendar. Items removed from the Consent Calendar will be separately considered under Item No. 7 of the Agenda)*
- A. City Council Minutes:
Special Meeting – Study Session of October 28, 2009.
Regular Meeting of November 4, 2009.
Recommended Action: Approve the City Council Minutes (City Clerk)
 - B. Planning Commission Action Minutes, Adjourned Meeting of November 12, 2009. **Recommended Action: Receive and File** (Planning Manager)
 - C. Procedural Step to Approve Ordinance after Reading of Title Only.
Recommended Action: Approval (City Clerk)
 - D. **Ordinance No. 912, Second Reading.** Amending and Superseding Ordinance No. 855 to update its participation in the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program and adoption of a temporary TUMF reduction. **Recommended Action: Adopt Ordinance No. 912.** (City Manager)
 - E. Approval of the Annual Reports for Community Facilities Districts 2001-1 and 2002-1 for the Fiscal Year Ended June 30, 2009. **Recommended Action: Receive and File** (Deputy City Manager/Director of Finance)
 - F. Acceptance of Bids and Award of Contract for the Norco Senior Center Exterior Renovation Project. **Recommended Action: Accept the bids and award the contract for the Senior Center Exterior Renovation Project to Korston Construction, Inc. in the amount of \$138,000 and authorize the City Manager to approve contract change orders up to 10 percent of the contract amount.** (Housing Manager)

- G. Approval of the Third Amendment to the Library Lease Agreement. **Recommended Action: Approval** (Deputy City Manager/Director of Finance)
 - H. Approval of Agreement for Temporary Part-Time Employment of Fire Chief. **Recommended Action: Approve the Agreement for Temporary Part-Time Employment of Fire Chief.** (Deputy City Manager/Director of Finance)
 - I. Proposed Cancellation of City Council Meeting of January 6, 2010. **Recommended Action: Cancel the January 6, 2010 City Council meeting.** (City Clerk)
 - J. Award of Contract for Procurement of Smart Meters and Implementation of Advance Metering Infrastructure System. **Recommended Action: Approve award of contract to Aqua Metric Sales Company for procurement of smart meters and implementation of Advanced Metering Infrastructure System.** (Deputy City Manager/Director of Finance)
 - K. Approval of Award of Contract for Project Management of the Implementation of Advanced Meter Reading Infrastructure. **Recommended Action: Approve award of professional services contract to Triton Water Technologies for project management of automated water meter reading solutions.** (Deputy City Manager/Director of Finance)
5. CITY COUNCIL PUBLIC HEARING:
- A. Proposed Projects for the Use of Community Development Block Grant Funds (Program Year 2010-2011) Through the U. S. Department of Housing and Urban Development and the County of Riverside Economic Development Agency

Applications for 2010-2011 Community Development Block Grant Funds are due to the Riverside County Economic Development Agency no later than December 11, 2009. The City has been asked to estimate funding needs based on funding for Program Year 2009-2010, and is presenting funding applications for Council consideration based on an estimate. Final adjustments will be made to selected programs and projects once the actual allocation amount is known.

Recommended Action: Approval (Housing Manager)

6. CITY COUNCIL ITEM FOR ACTION:

- A. Accept Bids, Award Contract, and Transfer Additional Funds for the Community Center Parking Lot Expansion and Hamner Avenue Improvements Project

Bids for the Community Center Parking Lot Expansion and Hamner Avenue Improvements Project were opened on September 30, 2009 with Hardy & Harper, Inc. being the lowest responsible bidder. It is recommended that the City Council award a contract to Hardy & Harper, Inc. in the amount of \$2,269,000. Additional funds are required to complete the Project and are available in the current Capital Improvement Program Budget Street Improvement Fund.

Recommended Action: 1.) Award the contract for the Community Center Parking Lot Expansion and Hamner Avenue Improvements Project to Hardy & Harper, Inc. in the amount of \$2,269,000, and authorize the City Manager to approve contract change orders up to 10 percent of the contract amount; and 2.) Adopt Resolution No. 2009-___, amending the 2009-2013 Capital Improvement Program Budget to transfer funds from various Street Improvement Fund sources to construct the Community Center Parking Lot Expansion and Hamner Avenue Improvements Project. (Director of Parks, Recreation & Community Services and Director of Public Works)

7. ITEMS PULLED FROM CITY COUNCIL CONSENT CALENDAR:

- 8. PUBLIC COMMENTS OR QUESTIONS - THIS IS THE TIME WHEN PERSONS IN THE AUDIENCE WISHING TO ADDRESS THE CITY COUNCIL REGARDING MATTERS NOT ON THE AGENDA MAY SPEAK. PLEASE BE SURE TO COMPLETE THE CARD IN THE BACK OF THE ROOM AND PRESENT IT TO THE CITY CLERK SO THAT YOU MAY BE RECOGNIZED.

9. OTHER MATTERS - COUNCIL OR STAFF:

10. ADJOURNMENT:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's office, (951) 270-5623. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II).

Staff reports are on file in the Office of the City Clerk. Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be available for public inspection at the City Clerk's Counter in City Hall located at 2870 Clark Avenue.



MINUTES
CITY OF NORCO
CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
NOVEMBER 4, 2009

CALL TO ORDER: Mayor Azevedo called the meeting to order at 6:03 p.m.

ROLL CALL: Mayor Kathy Azevedo, **Present**
Mayor Pro Tem Malcolm Miller, **Present**
Council Member Frank Hall, **Present**
Council Member Berwin Hanna, **Present**
Council Member Richard L. MacGregor, **Present**

Staff Present: Cooper, Frye, Groves, Jacobs, King, Okoro, Oulman, Petree and Thompson

City Attorney Harper – **Present**

THE CITY COUNCIL/CRA RECESSED TO CLOSED SESSION (SECTION 54954) TO CONSIDER MATTERS:

Section 54956.8 – Conference with Real Property Negotiator

Street Address or Parcel Numbers: APNs 122-070-023 & 026

Negotiating Parties: Norco Redevelopment Agency and VHB Associates, Inc.

Points Under Negotiation: Price and Terms of Payment

Section 54957 – Personnel Matters

Public Employee Appointment: Fire Chief

RECONVENE PUBLIC SESSION: With nothing to report from Closed Session, Mayor Azevedo reconvened the meeting at 7:04 p.m.

PLEDGE OF ALLEGIANCE: Council Member MacGregor

INVOCATION: Pastor Vernie Fletcher
Grace Fellowship Church

PROCLAMATIONS: Veterans Appreciation Week – Nov. 4-11, 2009
Ruben Rasso

All veterans in the audience came forward to receive this proclamation with Mr. Rasso.

Community College Week – Nov. 1-6, 2009
*Riverside Community College District
Dr. Brenda Davis, Norco Campus*

Dr. Davis thanked the Council for the proclamation and stated that on November 11 from 12 – 3 students at the Norco Campus will be recognizing veterans in the area.

ADDITIONAL PRESENTATIONS NOT LISTED ON THE AGENDA:

- A. **Certified Local Government (CLG) status.** On September 30, 2009 the City of Norco was approved by the State of California and the United States Department of Interior to be a Certified Local Government, the 57th City in the State to obtain CLG status. On October 30, 2009, Mayor Azevedo attended the State Historical Resources Commission meeting along with Kevin Bash, Member of Norco's Historic Preservation Commission; Brian Oulman, Norco's Cultural Resources Administrator; and Bill Wilkman Norco's Historic Preservation Consultant, to receive a Resolution of Recognition of Norco's CLG status. Mayor Azevedo presented the Resolution to the Historic Preservation Commission Members present. It was noted that the CLG status will provide significant opportunities to obtain grants for historic preservation efforts in Norco.
- B. **Proclamation for Brigitte Bash.** Mayor Azevedo presented Brigitte Bash with a proclamation, highlighting all of her work in preserving pictures of the Historic Norconian Hotel, as well as other historic sites throughout the City of Norco.
- C. **Southern California Edison Contribution to the Corona-Norco United Way.** Mayor Azevedo stated that Southern California Edison awarded the Corona-Norco United Way with a check in the amount of \$10,000, which will be used for programs in Norco and Corona.

REGULAR COMMUNITY REDEVELOPMENT AGENCY (CRA) AGENDA AS FOLLOWS:

M/S Hanna/Hall to approve the items as recommended on the CRA Consent Calendar. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HALL, HANNA, MACGREGOR, MILLER
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

1. CRA CONSENT CALENDAR ITEMS:

- A. CRA Minutes, Regular Meeting of October 21, 2009. **Recommended Action: Approve the CRA Minutes** (City Clerk)

2. OTHER CRA MATTERS: No Other Matters.

ADJOURNMENT OF CRA: 7:41 p.m.

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

Mayor Azevedo pulled Item 3.D. and Harvey Sullivan pulled Item 3.H. from the City Council Consent Calendar.

M/S Miller/Hanna to approve the amended City Council Consent Calendar. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HALL, HANNA, MACGREGOR, MILLER
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

3. CITY COUNCIL CONSENT CALENDAR ITEMS:

- A. City Council Minutes, Regular Meeting of October 21, 2009. **Recommended Action: Approve the City Council Minutes** (City Clerk)
- B. Planning Commission Action Minutes, Regular Meeting of October 28, 2009. **Recommended Action: Receive and File** (Planning Manager)
- C. Procedural Step to Approve Ordinance after Reading of Title Only. **Recommended Action: Approval** (City Clerk)
- D. Fiscal Year 2008 Year-End Budget to Actual Report. **Recommended Action: Receive and File.** (Deputy City Manager/Director of Finance)
PULLED FOR DISCUSSION
- E. Request for a Twelve-Month Extension of Time for Tentative Tract Map 35650 (Essenmacher) **Recommended Action: Approve the extension of time for recording a final map for Tentative Tract Map 35650 with a new expiration date of December 5, 2010.** (Planning Manager)
- F. Approval of the City of Norco Sanitary Sewer Management Plan. **Recommended Action: Approval.** (Director of Public Works)
- G. Resolution Increasing Revenue, Appropriation and Expenditure from the Governor's Office of Homeland Security in the amount of \$13,937 for Radio Equipment. **Recommended Action: Adopt Resolution No. 2009-80.** (Fire Chief)

- H. Approval of Contract and Appointment of City Manager. **Recommended Action: Approve the Employment Agreement and appoint Beth Groves as City Manager.** (Deputy City Manager/Director of Finance) **PULLED FOR DISCUSSION**

4. CITY COUNCIL PUBLIC HEARINGS:

- A. Amendment to the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program and Adoption of a Temporary TUMF Reduction

The City is a Member Agency of the Western Riverside Council of Governments ("WRCOG"), a joint powers agency comprised of the County of Riverside and sixteen (16) cities located in Western Riverside County. Pursuant to the Mitigation Fee Act (Gov. Code §§ 66000 et seq.), WRCOG prepared a new nexus study ("2009 Nexus Study") to update the fees. The WRCOG Executive Committee reviewed the 2009 Nexus Study and TUMF Program and recommended TUMF Participating Jurisdictions update their fees by amending their applicable TUMF ordinances to reflect changes in the TUMF network and the cost of construction. The WRCOG Executive Committee also authorized a temporary reduction in fees.

Recommended Action:

Individually Adopt:

Ordinance No. ____, First Reading: Amending and Superseding Ordinance No. 855 to update its participation in the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program and adoption of a temporary TUMF reduction.

Resolution No. 2009-____, establishing a revised and updated fee schedule applicable under the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program and adopting a temporary TUMF reduction.

(City Manager)

City Manager Groves presented the City Council Item.

In response to Mayor Pro Tem Miller Public Works Director Thompson stated that the TUMF are collected at the time of permit issuance or Certificate of Occupancy. He noted that the City of Norco collects the TUMF at issuance of permit, but could allow the fee to be paid at the time of the Certificate of Occupancy if the permit was issued in that time period. Discussion was held regarding the Silverlakes project and the fact that it is a park, which is exempt from TUMF.

Mayor Azevedo OPENED the public hearing, indicating that proper notification had been made and asking for the appearance of those wishing to speak. With no one wishing to speak, Mayor Azevedo then CLOSED the public hearing.

M/S Hanna/Hall to Adopt Ordinance No. 912, First Reading: Amending and Superseding Ordinance No. 855 to update its participation in the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program and adoption of a temporary TUMF reduction. The motion was carried by the following roll call vote:

**AYES: AZEVEDO, HALL, HANNA, MACGREGOR, MILLER
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE**

M/S Hall/Miller to Adopt Resolution No. 2009-81, establishing a revised and updated fee schedule applicable under the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program and adopting a temporary TUMF reduction. The motion was carried by the following roll call vote:

**AYES: AZEVEDO, HALL, HANNA, MACGREGOR, MILLER
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE**

- B. General Plan Amendment 2009-01A, A City-Initiated Proposal to Add a New Land Use Designation Entitled Preservation and Development; and to Change the Land Use Designations on Three Non-Contiguous Groupings of Properties

A series of General Plan Amendments, a Zone Code Amendment, and Zone Changes that are being proposed to establish a new Preservation and Development (PAD) zone for those areas of the City where development has been limited due to facilities that existed when the City incorporated and for which operations continued after incorporation. These areas have significant and identifiable resources whether historical, natural, open space or other type of resource important to the City's history and lifestyle, and are worth preserving. Currently, there is no zoning that is conducive to development that preserves these resources once the properties come into private ownership and/or become available for other uses. Since the number, type, and level of significance of these resources is still largely unknown, the City is unable to establish any detailed zoning regulations. The proposed Preservation and Development (PAD) zone would minimally require the preparation of a specific plan prior to any development and it would be through that plan that resources could be identified and protected. On October 28, 2009, the Planning Commission voted to recommend approval of General Plan Amendment 2009-01D (Silverlakes) but continued all of the items related to the proposed new zone.

Recommended Action:

Adopt:

Resolution No. 2009-___, General Plan Amendment 2009-01D (City of Norco); A proposal to amend the land use categories on property corresponding to the Silverlakes Equestrian and Sports Park from "Public Lands" to "Park."

Continue to December 16, 2009:

Resolution No. 2009-___, General Plan Amendment 2009-01A (City of Norco); A proposal to amend the Land Use Element of the General Plan by adding a new land use category to be titled "Preservation and Development."

Resolution No. 2009-___, General Plan Amendment 2009-01B (City of Norco); A proposal to amend the Land Use categories on property corresponding to the former Wyle Laboratories property (APN's 123-080-028; 123-260-003, -004, -006, -010; 123-250-007, -006, -005; 123-320-001; 123-330-011, -001, -036) from "Industrial-Special Research" and "Hillside" to "Preservation and Development."

Resolution No. 2009-___, General Plan Amendment 2009-01C (City of Norco); A proposal to amend the Land Use categories on property corresponding to the former Norconian Resort around Lake Norconian (APNs 129-190-003, -002; 129-200-008; -007, -005; 129-210-006, -005, -004) from "Institutional and Public Lands" to "Preservation and Development."

Ordinance No.-___, First Reading: Zone Code Amendment 2009-01 (City of Norco); A proposal to establish a new zone with corresponding development standards entitled "Preservation and Development" zone.

Ordinance No. ___, First Reading: Zone Change 2009-01 (City of Norco); A proposal to change existing zoning on property corresponding to former Wyle Laboratories property (APNs listed above) from "General Manufacturing" and "Hillside" to "Preservation and Development."

Ordinance No. ___, First Reading: Zone Change 2009-02 (City of Norco); A proposal to change existing zoning on property corresponding to the former Norconian Resort around Lake Norconian (APNs listed above) from "Open Space" and "Limited Development" to "Preservation and Development."

(Planning Manager)

Planning Manager King presented the City Council Item noting that the Planning Commission will continue discussion over all of the items proposed in a scheduled workshop, with the exception of the resolution for the General Plan Amendment 2009-01D for the Silverlakes Equestrian and Sports Park, which is recommended to be approved at this meeting. With the approval of the proposed resolution, the Silverlakes property will be eligible for grant funding. Planning Manager King recommended that the items recommended to be continued to December 16, 2009 will be taken off the calendar and will be re-advertised at the appropriate time.

Mayor Azevedo OPENED the public hearing, indicating that proper notification had been made and asking for the appearance of those wishing to speak.

Linda Dixon. Ms. Dixon questioned the continuation of the remaining items and noted how important this is to the City.

Mayor Azevedo CLOSED the public hearing.

Council Member Hall stated that he is concerned about moving the remaining items to off-calendar. He noted that he agrees with Linda Dixon that this is critical and the City needs to move ahead.

M/S Hall/Miller to 1.) Adopt Resolution No. 2009-82, General Plan Amendment 2009-01D (City of Norco); A proposal to amend the land use categories on property corresponding to the Silverlakes Equestrian and Sports Park from "Public Lands" to "Park," and 2.) Not continue the remaining items to December 16, 2009 and take them off the calendar for re-advertisement at the appropriate time. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HALL, HANNA, MACGREGOR, MILLER
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

- C. Request to change the applicant on record for an approved entertainment permit that allows live entertainment subject to conditions, at the Saddle Sore Saloon located at 343 Sixth Street in the C-4 Zone. Entertainment Permit 2009-02 (McKee)

The Saddle Sore Saloon restaurant located at 343 Sixth Street is in the process of being sold to a new owner (ref. Exhibit "A" – Location Map and Exhibit "B" –Site Plan). This is a request to allow a change in the applicant on record for an approved entertainment permit that allows live entertainment subject to conditions. Adoption of the proposed resolution would continue the conditions of approval for the existing entertainment permit.

Recommended Action: Adopt Resolution No. 2009-___, approving Entertainment Permit 2009-02. (Planning Manager)

Planning Manager King presented the City Council Item.

Council Member Hanna confirmed that this was the second time this year they changed ownership. He also asked why the CUP requirements were not corrected. Planning Manager King stated that the requirements have not been completed and that they were conditioned in the CUP. Council Member Hanna requested that the new owners be notified regarding those requirements.

Mayor Azevedo OPENED the public hearing, indicating that proper notification had been made and asking for the appearance of those wishing to speak.

Dick White. Mr. White is concerned about the music played and outside activities at the restaurant.

Jenny and Jeff McKee. Mr. and Mrs. McKee are the new owners of the Saddle Sore Saloon. They stated that they like being a part of the community and are looking forward to working with the City to make this restaurant a success.

Mayor Azevedo CLOSED the public hearing.

M/S Miller/Hall to Adopt Resolution No. 2009-83, approving Entertainment Permit 2009-02. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HALL, HANNA, MACGREGOR, MILLER
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

5. CITY COUNCIL ITEMS FOR ACTION: No City Council Items for Action.

6. ITEMS PULLED FROM CITY COUNCIL CONSENT CALENDAR:

3.D. Fiscal Year 2008 Year-End Budget to Actual Report. **Recommended Action: Receive and File.** (Deputy City Manager/Director of Finance)

Deputy City Manager/Director of Finance Okoro presented a brief overview of the report highlighting the General Fund, Redevelopment Agency, Low and Moderate-Income Operating Funds, and the Water and Sewer Funds (Enterprise Funds).

In response to Mayor Pro Tem Miller regarding the rationale used to create the new Workers Compensation Fund, Deputy City Manager/Director of Finance Okoro stated that with the steady decline in the Reserve Fund Balance, it has become necessary to create this new fund.

M/S Azevedo/Miller to Receive and File the Fiscal year 2008 Year-End Budget to Actual Report. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HALL, HANNA, MACGREGOR, MILLER
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

- 3.H. Approval of Contract and Appointment of City Manager. **Recommended Action: Approve the Employment Agreement and appoint Beth Groves as City Manager.** (Deputy City Manager/Director of Finance)

Harvey Sullivan. Mr. Sullivan commended Interim City Manager Groves for the outstanding job she has done and has the highest regards for her ability to do the job and to continue to do the job. He noted that she will be a great City Manager. Mr. Sullivan added that back in 2003, the Council waited until after the election to appoint a City Manager so that the new Council could make that decision, and would have liked that same process to have been followed. He noted that he does not like the way the agreement reads in regards to the term.

Kevin Bash. Mr. Bash stated that City Manager Groves will be great and supports this appointment.

M/S Azevedo/Hall to Approve the Employment Agreement and appoint Beth Groves as City Manager. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HALL, HANNA, MACGREGOR, MILLER
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

7. PUBLIC COMMENTS OR QUESTIONS:

Don Bowker. Mr. Bowker stated that he is having problems with Waste Management picking up his manure bins, with their complaint that the bins are too heavy to pick up. He noted that this is the second time this has happened and both times it was the "new" Waste Management trucks that had the problem. Mr. Bowker stated that the Waste Management supervisor told him that this is a problem throughout the City and that their fleet was being replaced with these new trucks.

CITY OF NORCO STAFF REPORT

TO: Chairman and Members of the Norco Redevelopment Agency

FROM: Beth Groves, Executive Director 

PREPARED BY: Andy Okoro, Deputy City Manager/Director of Finance 

DATE: November 18, 2009

SUBJECT: Approval of Fiscal Year 2008-09 Annual Financial Reports of the Norco Redevelopment Agency

RECOMMENDATION: Staff recommends approval of the Fiscal Year 2008-09 State Annual Financial Reports of the Norco Redevelopment Agency.

SUMMARY: The State of California Health and Safety Code requires redevelopment agencies in California to file various reports with the State Controller within six months of the end of the agency's fiscal year. Staff recommends that the agency board approve the attached reports which will be filed with the State Controller.

BACKGROUND/ANALYSIS: Health and Safety Code Section 33080.1 requires every redevelopment agency in California to file with the State Controller within six months of the end of the agency's fiscal year. Additionally, the annual audited financial report is required to be submitted to the agency's legislative body within six months from the end of the fiscal year. Attached for your review are the listed reports.

- A) Housing and Community Development (HCD) report on the status and use of Low and Moderate Income Housing Fund;
- B) Redevelopment Agency Financial Transactions report; and
- C) Audited Annual Financial Report
- D) FY08/09 Report on Alleviating Blight
- E) FY08/09 Excess Land Held for Resale

The Certified Public Accounting firm of Rogers, Anderson, Malody and Scott, LLP performed the Agency's annual independent audit. Their unqualified opinion is included as part of the annual financial report. The audited report also includes the independent auditors' report on internal control over financial reporting and compliance with laws and

regulations. The results of the independent auditors tests disclosed no instances of non-compliance with laws and regulations.

FINANCIAL IMPACT: N/A

/jk-74015

Attachments (City Council Only): State Controller's Report
HCD Report
Audited Financial Audit Report
Report on Alleviating Blight
List of Excess Land Held for Resale

California Redevelopment Agencies-Fiscal Year 2008/2009
 Project Area Contributions to Low and Moderate Income Housing Funds
 Sch A Project Area Summary Report
 NORCO

Project Area	100% of Tax Increment	20% Set Aside Requirement	Tax Increment Allocated	Amount Exempted	Deferral Repayment	Tax Incr. Deposited to Hsng Fund	Percent of Tax Incr Dep	Repayment Deferrals	Other Income	Total Deposited to Housing
PROJECT 1	\$15,496,900	\$3,099,380	\$3,099,380	\$0	\$0	\$3,099,380	20%	\$0	\$329,664	\$3,429,044
Agency Totals:	\$15,496,900	\$3,099,380	\$3,099,380	\$0	\$0	\$3,099,380	20%	\$0	\$329,664	\$3,429,044

Note: Print this report in Landscape Orientation (Use the Print Icon just above, then Properties then Landscape)

California Redevelopment Agencies - Fiscal Year 2008/2009
 Status of Low and Moderate Income Housing Funds
 Sch C Agency Financial Summary
 NORCO

Adjusted Beginning Balance	Project Area Receipts	Agency Other Revenue	Total Expenses	Net Resources Available	Other Housing Fund Assets	Total Housing Fund Assets	Encumbrances	* Unencumbered Balance	Unencumbered Designated	Unencumbered Not Dsgntd
\$5,196,671	\$3,429,044	\$0	\$2,575,999	\$6,049,716	\$13,183,490	\$19,233,206	\$0	\$6,049,716	\$0	\$6,049,716

Expenses	Debt Service	Housing Construction	Housing Rehabilitation	Planning and Administration Costs	Property Acquisition	Subsidies	Total
2008/2009	\$1,030,152	\$3,321	\$544,170	\$488,733	\$190,223	\$319,400	\$2,575,999

*The Unencumbered Balance is equal to Net Resources Available minus Encumbrances

Note: Print this report in Landscape Orientation (Use the Print Icon just above, then Properties then Landscape)

Status of Low and Moderate Income Housing Funds
Sch C Agency Financial and Program Detail
NORCO

	Beginning Balance	\$4,606,185
	Adjustment to Beginning Balance	\$590,486
	Adjusted Beginning Balance	\$5,196,671
Total Tax Increment From PA(s) \$3,099,380	Total Receipts from PA(s)	\$3,429,044
	Other Revenues not reported on Schedule A	\$0
	Sum of Beginning Balance and Revenues	\$8,625,715

Expenditure	Item	Subitem	Amount	Remark
Debt Service				
	Debt Principal Payments	Tax Allocation, Bonds & Notes	\$371,000	
	Interest Expense		\$659,152	
		Subtotal of Debt Service	\$1,030,152	
 Housing Construction				
			\$3,321	
		Subtotal of Housing Construction	\$3,321	
 Housing Rehabilitation				
			\$544,170	
		Subtotal of Housing Rehabilitation	\$544,170	
 Planning and Administration Costs				
	Administration Costs		\$408,059	
	Professional Services		\$80,674	
		Subtotal of Planning and Administration Costs	\$488,733	
 Property Acquisition				
	Land Purchases		\$190,223	
		Subtotal of Property Acquisition	\$190,223	

Status of Low and Moderate Income Housing Funds
Sch C Agency Financial and Program Detail
NORCO

<u>Expenditure Item</u>	<u>Subitem</u>	<u>Amount</u>	<u>Remark</u>
Subsidies from the LMIHF			
1st Time Homebuyer Down Payment Assistance		\$38,100	
Other		\$281,300	Sewer Service Assistance \$405,570; Sewer Grant/Homeless Prev \$24,570; Deferred loans \$151,160
	Subtotal of Subsidies from the LMIHF	\$319,400	
	Total Expenditures	\$2,575,999	

Net Resources Available **\$6,049,716**

Indebtedness For Setasides Deferred **\$0**

Other Housing Fund Assets			
<u>Category</u>		<u>Amount</u>	<u>Remark</u>
Loan Receivable for Housing Activities		\$4,450,215	
Residual Receipt Loans		\$4,856,938	
Value of Land Purchased with Housing Funds		\$3,876,337	
	Total Other Housing Fund Assets	\$13,183,490	

Total Fund Equity **\$19,233,206**

2004/2005	\$2167842			
2005/2006	\$2517436			
2006/2007	\$2920961	sum of 4 Previous Years' Tax Increment for 2008/2009	Prior Year Ending Unencumbered Balance	Excess Surplus for 2008/2009
2007/2008	\$3167575	\$10773814	-\$17,491	\$0

Sum of Current and 3 Previous Years' Tax Increments **\$11,705,352**

Adjusted Balance **\$2,990,211**

Excess Surplus for next year **\$0**

Net Resources Available **\$6,049,716**

Unencumbered Designated **\$0**

Unencumbered Undesignated **\$6,049,716**

Status of Low and Moderate Income Housing Funds
Sch C Agency Financial and Program Detail
NORCO

Total Encumbrances	\$0
Unencumbered Balance	\$6,049,716
Unencumbered Balance Adjusted for Debt Proceeds	\$3,059,505
Unencumbered Balance Adjusted for Land Sales	\$0
Excess Surplus Expenditure Plan	No
Excess Surplus Plan Adoption Date	

Site Improvement Activities Benefiting Households

<u>Income Level</u>	<u>Low</u>	<u>Very Low</u>	<u>Moderate</u>	<u>Total</u>
---------------------	------------	-----------------	-----------------	--------------

Land Held for Future Development

<u>Site Name</u>	<u>Num Of Acres</u>	<u>Zoning</u>	<u>Purchase Date</u>	<u>Estimated Start Date</u>	<u>Remark</u>
------------------	---------------------	---------------	----------------------	-----------------------------	---------------

Use of the Housing Fund to Assist Mortgageors

Income Adjustment Factors	<input type="text"/>	Requirements Completed	<input type="text"/>
Home	\$ <input type="text"/>	Hope	\$ <input type="text"/>

Non Housing Redevelopment Funds Usage

Resource Needs

LMIHF Deposits/Withdrawals

<u>Document Name</u>	<u>Document Date</u>	<u>Custodian Name</u>	<u>Custodian Phone</u>	<u>Copy Source</u>
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Achievements

Description

Sch D General Project Information
NORCO

Project Area Name: PROJECT 1

UNIT INVENTORY			<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Mod</u>	<u>Became Ineligible</u>	<u>Total</u>
Project Name: DEFFERED LOAN PROGRAM								
<u>Other Provided with LMIHF</u>								
<u>Unit</u>								
Non-Substantial Rehabilitation								
Agency	Owner	Non-Elderly	0	1	1	0	0	2
Agency	Owner	Elderly	1	0	2	0	0	3
Unit Total			1	1	3	0	0	5

UNIT INVENTORY			<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Mod</u>	<u>Became Ineligible</u>	<u>Total</u>
Project Name: EMERGENCY GRANT								
<u>Other Provided with LMIHF</u>								
<u>Unit</u>								
Non-Substantial Rehabilitation								
Agency	Owner	Non-Elderly	1	4	4	0	0	9
Agency	Owner	Elderly	0	1	2	0	0	3
Unit Total			1	5	6	0	0	12

UNIT INVENTORY			<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Mod</u>	<u>Became Ineligible</u>	<u>Total</u>
Project Name: FIRST TIME HOMEBUYER								
<u>Other Provided with LMIHF</u>								
<u>Unit</u>								
Subsidy								
Agency	Owner	Non-Elderly	0	0	1	0	0	1
Unit Total			0	0	1	0	0	1

Sch D General Project Information
NORCO

Project Area Name: PROJECT 1

Project Name: HOME IMPROVEMENT GRANT

UNIT INVENTORY

			<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Mod</u>	<u>Became Ineligible</u>	<u>Total</u>
<u>Other Provided with LMIHF</u>								
<u>Unit</u>								
Non-Substantial Rehabilitation								
Agency	Owner	Non-Elderly	0	1	2	0	0	3
Agency	Owner	Elderly	1	5	4	0	0	10
Unit Total			1	6	6	0	0	13

Project Name: S.W.A.T. SUBSIDY PROGRAM

UNIT INVENTORY

			<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Mod</u>	<u>Became Ineligible</u>	<u>Total</u>
<u>Other Provided with LMIHF</u>								
<u>Unit</u>								
Other Assistance								
Agency	Owner	Non-Elderly	9	3	0	0	0	12
Agency	Owner	Elderly	111	45	0	0	0	156
Unit Total			120	48	0	0	0	168

Project Name: SEWER PROGRAM II

UNIT INVENTORY

			<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Mod</u>	<u>Became Ineligible</u>	<u>Total</u>
<u>Other Provided with LMIHF</u>								
<u>Unit</u>								
Subsidy								
Agency	Owner	Non-Elderly	1	0	2	0	0	3
Agency	Owner	Elderly	33	11	3	0	0	47
Unit Total			34	11	5	0	0	50

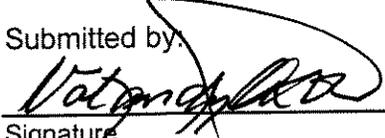
**REDEVELOPMENT AGENCIES
FINANCIAL TRANSACTIONS REPORT
COVER PAGE**

Norco Community Redevelopment Agency

Fiscal Year: **2009**

ID Number: **13983358800**

Submitted by:



Signature

Finance Director

Title

V. Andy DKDRD

Name (Please Print)

11/14/09

Date

Per Health and Safety Code section 33080, this report is due within six months after the end of the fiscal year. The report is to include two (2) copies of the agency's component unit audited financial statements, and the report on the Status and Use of the Low and Moderate Income Housing Fund (HCD report). To meet the filing requirements, all portions must be received by the California State Controller's Office.

To file electronically:

1. Complete all forms as necessary.
2. Transmit the completed output file using a File Transfer Protocol (FTP) program or via diskette.
3. Sign this cover page and mail to either address below with 2 audits and the HCD report.

To file a paper report:

1. Complete all forms as necessary.
2. Sign this cover page, and mail complete report to either address below with 2 audits and the HCD report.

Report will not be considered filed until receipt of this signed cover page.

Mailing Address:

State Controller's Office
Division of Accounting and Reporting
Local Government Reporting Section
P. O. Box 942850
Sacramento, CA 94250

Express Mailing Address:

State Controller's Office
Division of Accounting and Reporting
Local Government Reporting Section
3301 C Street, Suite 700
Sacramento, CA 95816

Supplement to the Annual Report of Community Redevelopment Agencies

Redevelopment Agency ID Number:	13983358800
Name of Redevelopment Agency:	Norco Community Redevelopment Agency

Mark the appropriate box below to indicate the ending date of your agency's fiscal year. Report data for that period only.

September 2008 December 2008 June 2009

Return this form to the **California State Controller's Office**. If you have any questions regarding this form please contact:

U.S. Bureau of the Census, Shannon Doyle, 1-800-242-4523

A. Personnel Expenditures

Report your government's total expenditures for salaries and wages during the year, including amounts paid on force account construction projects.

Z00	\$ 813,238
-----	------------

B. Mortgage Revenue Bond Interest Payments

Report your government's total amount of interest paid on mortgage revenue bonds during the year.

U20	\$ -0-
-----	--------

Supplement to the Annual Report of Community Redevelopment Agencies

Redevelopment Agency ID Number:	13983358800
Name of Redevelopment Agency:	Norco Community Redevelopment Agency

Mark the appropriate box below to indicate the ending date of your agency's fiscal year. Report data for that period only.

September 2008 December 2008 June 2009

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-----	------------

B. Mortgage Revenue Bond Interest Payments

Report your government's total amount of interest paid on mortgage revenue bonds during the year.

U20	\$ -0-
-----	--------

**CLIENT'S
COPY**

Norco Community Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

General Information

Fiscal Year 2009

Members of the Governing Body

	Last Name	First Name	Middle Initial
Chairperson	Azevedo	Kathy	
Member	Miller	Malcolm	
Member	Hall	Frank	
Member	MacGregor	Richard	
Member	Hanna	Berwin	
Member			

Mailing Address

Street 1 2870 Clark Avenue
 Street 2
 City Norco State CA Zip 92860-
 Phone (951) 270-5645 Is Address Changed?

Agency Officials

	Last Name	First Name	Middle Initial	Phone
Executive Director	Groves	Beth		(951) 227-5611
Fiscal Officer	Andy	Okoro		(951) 270-5650
Secretary	Jacobs	Brenda		(951) 270-5545

Report Prepared By

Firm Name Rogers, Anderson, Malody & Scott
 Last Shea
 First Terry
 Middle Initial P
 Street 290 North D Street, Suite 30
 City San Bernardino
 State CA
 Zip Code 92401-
 Phone (909) 889-0871

Independent Auditor

Rogers, Anderson, Malody & Scott
 Shea
 Terry
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 San Bernardino
 CA
 92401-
 (909) 889-0871

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**Norco Community Redevelopment Agency
Redevelopment Agencies Financial Transactions Report**

Achievement Information (Unaudited)

Fiscal Year 2009

**Indicate Only Those Achievements Completed During the Fiscal Year of this Report as a Direct Result
of the Activities of the Redevelopment Agency.**

Please provide a description of the agency's activities/accomplishments during the past year.

(Please be specific, as this information will be the basis for possible inclusion in the publication.)

Activity Report

- Redevelopment projects during the reporting period include:
1. Continued right-of-way acquisition on Second Street for Second Street Widening Project.
 2. Continued right-of-way acquisition on Hamner Avenue for the Hamner Avenue Widening Project.
 3. Completion of Façade Improvement Project for Stater Bros. Located at 2790 Hamner Avenue.
 4. Completed traffic signal and street improvements at Second Street and River Road.
 5. Major developments include:
 - A. Bob's Big Boy, 3521 Hamner Avenue, 6,178 sq. ft.
 - B. Chaparral Center, 3591 Hamner Avenue, 8,094 sq. ft.
 - C. Town & Country Center, 3240 Hamner Avenue, 50,036 sq. ft.
 - D. Gateway to Horsetown Center, 445 Hidden Valley Parkway, 21,941 sq. ft.
 - E. Norco Country Center (Rodeo Burger), 940 Sixth Street, 2,600 sq. ft.
 - F. Strata Realty Office Buildings, 1721 Third Street, 67,596 sq. ft.

	Square Footage Completed	
	New Construction	Rehabilitated
Commercial Buildings	156,445	25,567
Industrial Buildings		
Public Buildings		
Other Buildings		
Total Square Footage	156,445	25,567

Enter the amount of square footage completed this year by building type and segregated by new or rehabilitated construction.

Enter the Number of Jobs Created from the Activities of the Agency

Types Completed

A=Utilities B=Recreation C=Landscaping D=Sewer/ Storm E=Streets/ Roads
F=Bus/Transit

**Norco Community Redevelopment Agency
 Redevelopment Agencies Financial Transactions Report**

Audit Information

Fiscal Year 2009

Was the Report Prepared from Audited Financial Data, and Did You Submit a Copy of the Audit?

Yes

Indicate Financial Audit Opinion

Unqualified

If Financial Audit is not yet Completed, What is the Expected Completion Date?

If the Audit Opinion was Other than Unqualified, State Briefly the Reason Given

Was a Compliance Audit Performed in Accordance with Health and Safety Code Section 33080.1 and the State Controller's Guidelines for Compliance Audits, and Did You Submit a Copy of the Audit?

Yes

Indicate Compliance Audit Opinion

Unqualified

If Compliance Audit is not yet Completed, What is the Expected Completion Date?

If compliance opinion includes exceptions, state the areas of non-compliance, and describe the agency's efforts to correct.

**Norco Community Redevelopment Agency
Redevelopment Agencies Financial Transactions Report**

Project Area Report

Fiscal Year 2009

Project Area Name

Project Area No. 1

Please Provide a Brief Description of the Activities for this Project Area During the Reporting Year.

Activity Report

Redevelopment projects during the reporting period include:

1. Continued right-of-way acquisition on Second Street for Second Street Widening Project.
2. Continued right-of-way acquisition on Hamner Avenue for the Hamner Avenue Widening Project.
3. Completion of Façade Improvement Project for Stater Bros. Located at 2790 Hamner Avenue.
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 - D. Gateway to Horsetown Center, 445 Hidden Valley Parkway, 21,941 sq. ft.
 - E. Norco Country Center (Rodeo Burger), 940 Sixth Street, 2,600 sq. ft.
 - F. Strata Realty Office Buildings,

Forwarded from Prior Year ?

Yes

Enter Code for Type of Project Area Report

P

P = Standard Project Area Report

A = Administrative Fund

L = Low and Moderate Income Housing Fund

M = Mortgage Revenue Bond Program

O = Other Miscellaneous Funds or Programs

S = Proposed (Survey) Project Area

Does the Plan Include Tax Increment Provisions?

Yes

Date Project Area was Established (MM-DD-YY)

Most Recent Date Project Area was Amended

Did this Amendment Add New Territory?

Yes

Most Recent Date Project Area was Merged

Will this Project Area be Carried Forward to Next Year?

Yes

Established Time Limit :

Repayment of Indebtedness (Year Only)

Effectiveness of Plan (Year Only)

New Indebtedness (Year Only)

Size of Project Area in Acres

Percentage of Land Vacant at the Inception of the Project Area

Health and Safety Code Section 33320.1 (xx.x%)

Percentage of Land Developed at the Inception of the Project Area

Health and Safety Code Section 33320.1 (xx.x%)

Objectives of the Project Area as Set Forth in the Project Area Plan

(Enter the Appropriate Code(s) in Sequence as Shown)

R = Residential I = Industrial C = Commercial P = Public O = Other

**Norco Community Redevelopment Agency
Redevelopment Agencies Financial Transactions Report**

Assessed Valuation Data

Fiscal Year 2009

Project Area Name	Project Area No. 1
Frozen Base Assessed Valuation	260,849,450
Increment Assessed Valuation	1,493,430,000
Total Assessed Valuation	1,754,279,450

**Norco Community Redevelopment Agency
Redevelopment Agencies Financial Transactions Report**

Pass-Through / School District Assistance

Fiscal Year 2009

Project Area Name Project Area No. 1

Amounts Paid To Taxing Agencies Pursuant To:	Tax Increment Pass Through Detail			Other Payments		
	H & S Code Section 33401	H & S Code Section 33676	H & S Code Section 33607	Total	H & S Code Section 33445	H & S Code Section 33445.5
County	3,974,154			\$3,974,154		
Cities				\$0		
School Districts	2,723,087			\$2,723,087		
Community College District				\$0		
Special Districts	450,469			\$450,469		
Total Paid to Taxing Agencies	\$7,147,710	\$0	\$0	\$7,147,710	\$0	\$0
Net Amount to Agency				\$8,740,838		
Gross Tax Increment Generated				15,888,548		

Norco Community Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	
Bond Type	City/County Debt
Year of Authorization	1981
Principal Amount Authorized	1,870,977
Principal Amount Issued	1,870,977
Purpose of Issue	Project Funding
Maturity Date Beginning Year	1981
Maturity Date Ending Year	2031
Principal Amount Unmatured Beginning of Fiscal Year	\$170,181
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	170,181
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$0
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US;State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Norco Community Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	Deferred Compensation
Year of Authorization	2003
Principal Amount Authorized	202,598
Principal Amount Issued	202,598
Purpose of Issue	Compensated Absences
Maturity Date Beginning Year	2003
Maturity Date Ending Year	2031
Principal Amount Unmatured Beginning of Fiscal Year	\$148,687
Adjustment Made During Year	5,478
Adjustment Explanation	Net of additions and reductions during the fiscal year
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$154,165
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US; State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Norco Community Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

2009

Project Area Name

Project Area No. 1

Forward from Prior Year	Yes
Bond Type	Tax Allocation Bonds
Year of Authorization	2000
Principal Amount Authorized	2,425,000
Principal Amount Issued	2,425,000
Purpose of Issue	Project Funding
Maturity Date Beginning Year	2001
Maturity Date Ending Year	2031
Principal Amount Unmatured Beginning of Fiscal Year	\$2,060,000
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	50,000
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$2,010,000
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US; State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

**Norco Community Redevelopment Agency
 Redevelopment Agencies Financial Transactions Report**

Agency Long-Term Debt

Fiscal Year **Project Area Name**

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	Tax Allocation Bonds
Year of Authorization	2001
Principal Amount Authorized	36,000,000
Principal Amount Issued	36,000,000
Purpose of Issue	Defease 1992 TABs/Fund Project Costs
Maturity Date Beginning Year	2002
Maturity Date Ending Year	2030
Principal Amount Unmatured Beginning of Fiscal Year	\$30,530,000
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	1,210,000
Principal Amount Deceased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$29,320,000
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:
 Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US; State;
 Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

**Norco Community Redevelopment Agency
 Redevelopment Agencies Financial Transactions Report**

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	Tax Allocation Bonds
Year of Authorization	2001
Principal Amount Authorized	5,100,000
Principal Amount Issued	5,100,000
Purpose of Issue	Defease 92 School District TAB
Maturity Date Beginning Year	2002
Maturity Date Ending Year	2030
Principal Amount Unmatured Beginning of Fiscal Year	\$4,345,000
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	110,000
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$4,235,000
Principal Amount in Default	
Interest in Default	

Bond Types Allowed:

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US;State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Norco Community Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year Project Area Name

Forward from Prior Year	Yes
Bond Type	Tax Allocation Bonds
Year of Authorization	2004
Principal Amount Authorized	21,500,000
Principal Amount Issued	21,500,000
Purpose of Issue	Redevelopment Project Improvements A
Maturity Date Beginning Year	2004
Maturity Date Ending Year	2030
Principal Amount Unmatured Beginning of Fiscal Year	\$18,850,000
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	540,000
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$18,310,000
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:
 Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US; State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Norco Community Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	Yes
Bond Type	Tax Allocation Bonds
Year of Authorization	2004
Principal Amount Authorized	11,250,000
Principal Amount Issued	11,250,000
Purpose of Issue	Redevelopment Project Improvements B
Maturity Date Beginning Year	2004
Maturity Date Ending Year	2032
Principal Amount Unmatured Beginning of Fiscal Year	\$10,425,000
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	240,000
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$10,185,000
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US; State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Norco Community Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year		Yes
Bond Type	Tax Allocation Bonds	
Year of Authorization	2006	
Principal Amount Authorized	17,245,000	
Principal Amount Issued	17,245,000	
Purpose of Issue	Refunding Tax Allocation Bonds	
Maturity Date Beginning Year	2006	
Maturity Date Ending Year	2026	
Principal Amount Unmatured Beginning of Fiscal Year	\$16,915,000	
Adjustment Made During Year		
Adjustment Explanation		
Interest Added to Principal		
Principal Amount Issued During Fiscal Year		
Principal Amount Matured During Fiscal Year	55,000	
Principal Amount Defeased During Fiscal Year		
Principal Amount Unmatured End of Fiscal Year	\$16,860,000	
Principal Amount In Default		
Interest In Default		

Bond Types Allowed:

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US; State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

**Norco Community Redevelopment Agency
Redevelopment Agencies Financial Transactions Report**

Agency Long-Term Debt

Fiscal Year **Project Area Name**

Forward from Prior Year	
Bond Type	Tax Allocation Bonds
Year of Authorization	2009
Principal Amount Authorized	12,200,000
Principal Amount Issued	12,200,000
Purpose of Issue	School district pass-through
Maturity Date Beginning Year	2009
Maturity Date Ending Year	2034
Principal Amount Unmatured Beginning of Fiscal Year	
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	12,200,000
Principal Amount Matured During Fiscal Year	
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$12,200,000
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:
 Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US; State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Norco Community Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Non-Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	<input type="text" value="Certificates of Participation"/>
Year of Authorization	<input type="text" value="1991"/>
Principal Amount Authorized	<input type="text" value="1,915,000"/>
Principal Amount Issued	<input type="text" value="1,915,000"/>
Purpose of Issue	<input type="text" value="Street Entrance Riverside Comm. College"/>
Maturity Date Beginning Year	<input type="text" value="1991"/>
Maturity Date Ending Year	<input type="text" value="2017"/>
Principal Amount Unmatured Beginning of Fiscal Year	<input type="text" value="970,000"/>
Adjustment Made During Year	<input type="text"/>
Adjustment Explanation	<input type="text"/>
Principal Amount Issued During Fiscal Year	<input type="text"/>
Principal Amount Matured During Fiscal Year	<input type="text"/>
Principal Amount Defeased During Fiscal Year	<input type="text"/>
Principal Amount Unmatured End of Fiscal Year	<input type="text" value="\$970,000"/>
Principal Amount in Default	<input type="text"/>
Interest in Default	<input type="text"/>

Bond Types Allowed:

Mortgage Revenue; Industrial Development; Commercial Revenue Bond; Certificate of Participation

Norco Community Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Revenues

Fiscal Year 2009

Project Area Name Project Area No. 1

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Tax Increment Gross	12,789,168		3,099,380		\$15,888,548
<i>(Include All Apportionments)</i>					
Special Supplemental Subvention					\$0
Property Assessments					\$0
Sales and Use Tax					\$0
Transient Occupancy Tax					\$0
Interest Income	745,233	299,917	228,113		\$1,273,263
Rental Income					\$0
Lease Income					\$0
Sale of Real Estate					\$0
Gain on Land Held for Resale					\$0
Federal Grants					\$0
Grants from Other Agencies					\$0
Bond Administrative Fees					\$0
Other Revenues	206,885	1,038,739	101,551		\$1,347,175
Total Revenues	\$13,741,286	\$1,338,656	\$3,429,044	\$0	\$18,508,986

**Norco Community Redevelopment Agency
Redevelopment Agencies Financial Transactions Report**

Statement of Income and Expenditures - Expenditures

Fiscal Year 2009
Project Area Name Project Area No. 1

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Administration Costs	1,238,180		488,729		\$1,726,909
Professional Services	505,688				\$505,688
Planning, Survey, and Design					\$0
Real Estate Purchases					\$0
Acquisition Expense					\$0
Operation of Acquired Property					\$0
Relocation Costs					\$0
Relocation Payments					\$0
Site Clearance Costs					\$0
Project Improvement / Construction Costs	433,957	10,416,963	524,234		\$11,375,154
Disposal Costs					\$0
Loss on Disposition of Land Held for Resale					\$0

**Norco Community Redevelopment Agency
Redevelopment Agencies Financial Transactions Report**

Statement of Income and Expenditures - Expenditures

Fiscal Year 2009
Project Area Name Project Area No. 1

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Decline in Value of Land Held for Resale					\$0
Rehabilitation Costs					\$0
Rehabilitation Grants					\$0
Interest Expense	8,084	3,365,174	659,152		\$4,032,410
Fixed Asset Acquisitions					\$0
Subsidies to Low and Moderate Income Housing					\$0
Debt Issuance Costs		425,240			\$425,240
Other Expenditures Including Pass-Through Payment(s)	7,147,710				\$7,147,710
Debt Principal Payments:					
Tax Allocation Bonds and Notes		1,834,000	371,000		\$2,205,000
Revenue Bonds, Certificates of Participation, Financing Authority Bonds					\$0
City/County Advances and Loans	170,181				\$170,181
All Other Long-Term Debt					\$0
Total Expenditures	\$9,503,800	\$16,041,377	\$2,043,115	\$0	\$27,588,292
Excess (Deficiency) Revenues over (under) Expenditures	\$4,237,486	(\$14,702,721)	\$1,385,929	\$0	(\$9,079,306)

Norco Community Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year

2009

Project Area Name

Project Area No. 1

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Proceeds of Long-Term Debt		12,200,000			\$12,200,000
Proceeds of Refunding Bonds					\$0
Payment to Refunded Bond Escrow Agent					\$0
Advances from City/County					\$0
Sale of Fixed Assets					\$0
Miscellaneous Financing Sources (Uses)	-3,933,023	-187,850			(\$4,120,873)
Operating Transfers In	188,822	3,556,601			\$3,745,423
Tax Increment Transfers In					\$0
Operating Transfers Out	3,556,601	188,822			\$3,745,423
Tax Increment Transfers Out					\$0
<i>(To the Low and Moderate Income Housing Fund)</i>					
Total Other Financing Sources (Uses)	(\$7,300,802)	\$15,379,929	\$0	\$0	\$8,079,127

Norco Community Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year 2009

Project Area Name Project Area No. 1

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(\$3,063,316)	\$677,208	\$1,385,929	\$0	(\$1,000,179)
Equity, Beginning of Period	\$34,577,696	\$7,446,390	\$17,847,277	\$0	\$59,871,363
Prior Period Adjustments	0				\$0
Residual Equity Transfers					\$0
Equity, End of Period	\$31,514,380	\$8,123,598	\$19,233,206	\$0	\$58,871,184

**Norco Community Redevelopment Agency
Redevelopment Agencies Financial Transactions Report**

Balance Sheet - Assets and Other Debits

Fiscal Year	2009	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
Assets and Other Debits								
Cash and Imprest Cash	17,156,275	718,084	4,553,776					\$22,428,135
Cash with Fiscal Agent	6,092,238	7,314,405	1,523,060					\$14,929,703
Tax Increments Receivable	257		64					\$321
Accounts Receivable	72,395							\$72,395
Accrued Interest Receivable	63,379	91,109	27,107					\$181,595
Loans Receivable	948,795		9,307,153					\$10,255,948
Contracts Receivable								\$0
Lease Payments Receivable								\$0
Unearned Finance Charge								\$0
Due from Capital Projects Fund								\$0
Due from Debt Service Fund								\$0
Due from Low/Moderate Income Housing Fund								\$0
Due from Special Revenue/Other Funds								\$0

**Norco Community Redevelopment Agency
Redevelopment Agencies Financial Transactions Report**

Balance Sheet - Assets and Other Debits

Fiscal Year	2009	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long- Term Debt	General Fixed Assets	Total
Investments								\$0
Other Assets				270				\$270
Investments: Land Held for Resale		7,453,688		3,876,337				\$11,330,025
Allowance for Decline In Value of Land Held for Resale								\$0
Fixed Assets: Land, Structures, and Improvements							567,862	\$567,862
Equipment							405,386	\$405,386
Amount Available In Debt Service Fund								\$0
Amount to be Provided for Payment of Long-Term Debt						93,274,165		\$93,274,165
Total Assets and Other Debits		\$31,787,027	\$8,123,598	\$19,287,767	\$0	\$93,274,165	\$973,248	\$153,445,805

*(Must Equal Total Liabilities,
Other Credits, and Equities)*

**Norco Community Redevelopment Agency
Redevelopment Agencies Financial Transactions Report**

Balance Sheet - Liabilities and Other Credits

Fiscal Year	2009	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
Liabilities and Other Credits								
Accounts Payable				48,235				\$314,081
Interest Payable								\$0
Tax Anticipation Notes Payable								\$0
Loans Payable								\$0
Other Liabilities		6,801		6,326				\$13,127
Due to Capital Projects Fund								\$0
Due to Debt Service Fund								\$0
Due to Low/Moderate Income Housing Fund								\$0
Due to Special Revenue/Other Funds								\$0
Tax Allocation Bonds Payable						93,120,000		\$93,120,000
Lease Revenue, Certificates of Participation Payable, Financing Authority Bonds								\$0
All Other Long-Term Debt						154,165		\$154,165
Total Liabilities and Other Credits		\$272,647	\$0	\$54,561	\$0	\$93,274,165		\$93,601,373

**Norco Community Redevelopment Agency
Redevelopment Agencies Financial Transactions Report**

Balance Sheet - Liabilities and Other Credits

Fiscal Year	2009	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long- Term Debt	General Fixed Assets	Total
Equities								
Investment In General Fixed Assets							973,248	\$973,248
Fund Balance Reserved	8,402,483		7,305,695	13,183,490				\$28,891,668
Fund Balance Unreserved-Designated								\$0
Fund Balance Unreserved-Undesignated	23,111,897		817,903	6,049,716				\$29,979,516
Total Equities	\$31,514,380		\$8,123,598	\$19,233,206	\$0		\$973,248	\$59,844,432
Total Liabilities, Other Credits, and Equities	\$31,787,027		\$8,123,598	\$19,287,767	\$0	\$93,274,165	\$973,248	\$153,445,805

Norco Community Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Summary, Combined Transfers In/Out

Fiscal Year	2009
Operating Transfers In	\$3,745,423
Tax Increment Transfers In	\$0
Operating Transfers Out	\$3,745,423
Tax Increment Transfers Out	\$0

**Norco Community Redevelopment Agency
 Redevelopment Agencies Financial Transactions Report
 Statement of Income and Expenditures**

Revenues - Consolidated

Fiscal Year 2009

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Tax Increment Gross	\$12,789,168	\$0	\$3,099,380	\$0	\$15,888,548
Special Supplemental Subvention	\$0	\$0	\$0	\$0	\$0
Property Assessments	\$0	\$0	\$0	\$0	\$0
Sales and Use Tax	\$0	\$0	\$0	\$0	\$0
Transient Occupancy Tax	\$0	\$0	\$0	\$0	\$0
Interest Income	\$745,233	\$299,917	\$228,113	\$0	\$1,273,263
Rental Income	\$0	\$0	\$0	\$0	\$0
Lease Income	\$0	\$0	\$0	\$0	\$0
Sale of Real Estate	\$0	\$0	\$0	\$0	\$0
Gain on Land Held for Resale	\$0	\$0	\$0	\$0	\$0
Federal Grants	\$0	\$0	\$0	\$0	\$0
Grants from Other Agencies	\$0	\$0	\$0	\$0	\$0
Bond Administrative Fees	\$0	\$0	\$0	\$0	\$0
Other Revenues	\$206,885	\$1,038,739	\$101,551	\$0	\$1,347,175
Total Revenues	\$13,741,286	\$1,338,656	\$3,429,044	\$0	\$18,508,986

**Norco Community Redevelopment Agency
 Redevelopment Agencies Financial Transactions Report
 Statement of Income and Expenditures**

Expenditures - Consolidated

Fiscal Year 2009

	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Administration Costs	\$1,238,180	\$0	\$488,729	\$0	\$1,726,909
Professional Services	\$505,688	\$0	\$0	\$0	\$505,688
Planning, Survey, and Design	\$0	\$0	\$0	\$0	\$0
Real Estate Purchases	\$0	\$0	\$0	\$0	\$0
Acquisition Expense	\$0	\$0	\$0	\$0	\$0
Operation of Acquired Property	\$0	\$0	\$0	\$0	\$0
Relocation Costs	\$0	\$0	\$0	\$0	\$0
Relocation Payments	\$0	\$0	\$0	\$0	\$0
Site Clearance Costs	\$0	\$0	\$0	\$0	\$0
Project Improvement / Construction Costs	\$433,957	\$10,416,963	\$524,234	\$0	\$11,375,154
Disposal Costs	\$0	\$0	\$0	\$0	\$0
Loss on Disposition of Land Held for Resale	\$0	\$0	\$0	\$0	\$0

Norco Community Redevelopment Agency
Redevelopment Agencies Financial Transactions Report
Statement of Income and Expenditures

Expenditures - Consolidated

Fiscal Year 2009

	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
	A	B	C	D	E
Decline in Value of Land Held for Resale	\$0	\$0	\$0	\$0	\$0
Rehabilitation Costs	\$0	\$0	\$0	\$0	\$0
Rehabilitation Grants	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$8,084	\$3,365,174	\$659,152	\$0	\$4,032,410
Fixed Asset Acquisitions	\$0	\$0	\$0	\$0	\$0
Subsidies to Low and Moderate Income Housing Fund	\$0	\$0	\$0	\$0	\$0
Debt Issuance Costs	\$0	\$425,240	\$0	\$0	\$425,240
Other Expenditures Including Pass Through Payment(s)	\$7,147,710	\$0	\$0	\$0	\$7,147,710
Debt Principal Payments:					
Tax Allocation Bonds and Notes	\$0	\$1,834,000	\$371,000	\$0	\$2,205,000
Revenue Bonds and Certificates of Participation	\$0	\$0	\$0	\$0	\$0
City/County Advances and Loans	\$170,181	\$0	\$0	\$0	\$170,181
U.S., State and Other Long-Term Debt	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$9,503,800	\$16,041,377	\$2,043,115	\$0	\$27,588,292
Excess (Deficiency) Revenues Over (Under) Expenditures	\$4,237,486	(\$14,702,721)	\$1,385,929	\$0	(\$9,079,306)

**Norco Community Redevelopment Agency
Redevelopment Agencies Financial Transactions Report**

**Statement of Income and Expenditures
Other Financing Sources (Uses) - Consolidated**

Fiscal Year 2009

	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Proceeds of Long-Term Debt	\$0	\$12,200,000	\$0	\$0	\$12,200,000
Proceeds of Refunding Bonds	\$0	\$0	\$0	\$0	\$0
Payment to Refunded Bond Escrow Agent	\$0	\$0	\$0	\$0	\$0
Advances from City/County	\$0	\$0	\$0	\$0	\$0
Sale of Fixed Assets	\$0	\$0	\$0	\$0	\$0
Miscellaneous Financing Sources (Uses)	(\$3,933,023)	(\$187,850)	\$0	\$0	(\$4,120,873)
Operating Transfers In	\$188,822	\$3,556,601	\$0	\$0	\$3,745,423
Tax Increment Transfers In			\$0		\$0
Operating Transfers Out	\$3,556,601	\$188,822	\$0	\$0	\$3,745,423
Tax Increment Transfers Out <i>(To the Low and Moderate Income Housing Fund)</i>	\$0	\$0			\$0
Total Other Financing Sources (Uses)	(\$7,300,802)	\$15,379,929	\$0	\$0	\$8,079,127

**Norco Community Redevelopment Agency
Redevelopment Agencies Financial Transactions Report**

**Statement of Income and Expenditures
Other Financing Sources (Uses) - Consolidated**

	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
	A	B	C	D	E
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(\$3,063,316)	\$677,208	\$1,385,929	\$0	(\$1,000,179)
Equity Beginning of Period	\$34,577,696	\$7,446,390	\$17,847,277	\$0	\$59,871,363
Prior Year Adjustments	\$0	\$0	\$0	\$0	\$0
Residual Equity Transfers	\$0	\$0	\$0	\$0	\$0
Other (Explain)	\$0	\$0	\$0	\$0	\$0
Equity, End of Period	\$31,514,380	\$8,123,598	\$19,233,206	\$0	\$58,871,184

Norco Community Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Detailed Summary of Footnotes For Fiscal Year 2008-09

Forms	Column	Additional Details	Footnotes
Project Areas Report			
New indebtedness	A	PROJECT_AREA_NAME = 'Project Area No. 1'	Agency adopted resolution extending the time limit.

Norco Redevelopment Agency

Report on Alleviating Blight

Fiscal Year 2008-2009

1. (\$60,000 Agency Fund Expenditure) – A Façade Improvement Grant was completed in the amount of \$60,000 by the Agency to further the goals of the Redevelopment Plan at Stater Bros. Market located at 2790 Hamner Avenue in March 2009.
2. (\$60,000 Agency Fund Expenditure) – A Façade Improvement Grant was approved in the amount of \$60,000 by the Agency to further the goals of the Redevelopment Plan at a building owned by the Hinson Family Trust at 1809 Lampton Lane.
3. (\$24,252 Agency Fund Expenditure) – Demolition and removal of tear-down structure at 2448 Hamner Avenue in August 2008.
4. River Road traffic signal and right-of-way improvements began in March 2009.

/mb-74087

**NORCO REDEVELOPMENT AGENCY
STATUS OF EXCESS LAND HELD FOR RESALE**

FY 2008-09 ACTIVITIES

<u>DESCRIPTION</u>	<u>STATUS</u>
1. .40 acres located adjacent to 1157 Hamner Avenue: APNs 122-070-023, .35 acres, and 122-070-026, .05 acres	\$65,000 Valuation – Single Parcel (2001)
2. APNs 122-080-033, portion of 122-080-040 (former parcels 037 & 038 were merged into one parcel 122-080-040) 13,988 sq. feet (.32 ac.) INFILL PROPERTY	Paid \$110,000 for 4 Parcels (2000): Sold 122-080-033 and a portion of 122-080-040 (10,419 sq. ft. / .24 acres) in 2007: Parcel sold back to Agency in 2008
3. APN 130-162-039, .27 acres INFILL PROPERTY	Paid \$74,500 (2003): Staff intends to market site for resale.
4. SILVERLAKES: 122 acres known as APNs: 152-060-004 – 24.35 acres 152-060-011 – 33.69 acres 152-070-001 – 19.5 acres 152-070-002 – 28.15 acres 152-070-011 – 16.2 acres	Transfer of title to Agency from City of Norco fulfilled the loan Agreement for \$5.5 million between the City and the Agency. (June 2004)
5. 7.31 acres: APN 119-020-015, 1.20 acres, known as Parcel "A" of Lot Line Adjustment recorded 01-22-08 as Instrument 2008-182957, records of Riverside County; and APN 119-020-022, 6.11 acres, known as Parcel "B" of Lot Line Adjustment recorded 03-25-08 as Instrument 2008-0211758, records of Riverside County INFILL OR MULTI-FAMILY HOUSING PROPERTY	Purchased from RBE Norco-JFH I LLC for \$3.2 million (June 2008)
6. APN 126-120-038, 1.63 acres	Paid \$1,330,000 for vacant lot behind Mitsubishi dealership to be held for resell (December 2008)

CITY OF NORCO STAFF REPORT

TO: Chairman and Members of the Norco Redevelopment Agency

FROM: Beth Groves, Executive Director 

PREPARED BY: Dominic C. Milano, City Engineer

DATE: November 18, 2009

SUBJECT: Acquisition Agreement for 1885 Valley View Avenue for the Second Street Widening Project

RECOMMENDATION: Adopt **CRA Resolution No. 2009-___**, authorizing the approval of an Acquisition Agreement in the amount of \$4,455.00 and accept the offer of street dedication of real property at 1885 Valley View Avenue (APN 125-190-005) for frontage on Second Street in exchange for future excess street right-of-way on Valley View to facilitate the Second Street Widening Project, and authorizing the Agency to enter into escrow for said property and future exchange.

SUMMARY: In order for the Second Street Improvement Project to proceed, 1,204.37 square feet of real property along Second Street at 1885 Valley View Avenue needs to be acquired by the Norco Redevelopment Agency ("Agency") for the widening of Second Street and the realignment of Valley View Avenue into Second Street. Negotiation with the property owner includes a property exchange agreement to acquire the necessary Second Street frontage and transfer (merge) any excess Valley View Avenue right-of-way to the 1885 Valley View Avenue property once the improvements (realignment) to the intersection of Valley View Avenue and Second Street are completed.

BACKGROUND/ANALYSIS: On December 1, 2004, the Agency Board authorized the execution of the contract for professional services with DMC Design Group, Inc, for preparation of plans and specifications for the construction of the Second Street improvements between the I-15 Freeway and Corona Avenue. The accepted design resulted in the need for certain properties along Second Street to relinquish portions of their frontage to accommodate the widening of Second Street. On September 7, 2005, the Agency Board authorized DMC Design Group to proceed with obtaining appraisals for those affected properties.

DMC Group retained Overland, Pacific & Cutler, Inc (OPC) as the Agency's acquisition consultant and to answer questions the property owners may have. The Agency also contracted with Boznanski & Company, an independent appraisal firm, to appraise all the affected properties. The Agency is in receipt of a three-volume report, prepared by Boznanski & Company, containing a complete appraisal of the 17 affected properties.

After the acquisition of 2 of the 17 parcels, the Agency Board directed staff to obtain updated appraisals for a "sampling" of the remaining properties and for City staff to negotiate the purchases. City staff has received the updated appraisals and has successfully negotiated the purchase of 15 of these properties, 2 being full acquisitions.

In lieu of purchasing the necessary right-of-way on Second Street, valued at \$14,488.00, the property owner at 1885 Valley View Avenue has agreed to an exchange of property. After the completion of the Second Street widening project which includes the realignment of Valley View Avenue with Second Street, the City will have 7012 square feet of excess right-of-way adjacent to the front yard of 1885 Valley View Avenue. Incorporating this excess property into the subject property will increase the lot size to 22,796 square feet after vacation. The property is in the A-1-20 zone. The required vacation will be brought back to the City Council after the completion of the construction project. The Agreement does contain language that if Second Street is not improved, the Agency will be obligated to purchase the Second Street right-of-way for \$14,488.00 or for an amount determined by a new appraisal report, whichever is greater.

It is recommended that the Agency Board formally approve the Agreement for this property acquisition (1885 Valley View Avenue, APN 125-190-005) and authorize the Agency to enter into escrow for the exchange of properties.

FINANCIAL IMPACT: Funds are appropriated in the FY 2009-10 Agency CIP Budget for the Second Street Right-of-Way Acquisition in the amount of \$51,108.00 of which \$44,706.00 has been appropriated for the purchase of right-of-way at 1549-1569 Second Street. The Agency/City previously has purchased or has formally accepted agreements with 15 of the necessary properties. Negotiations are almost complete for 1 of the 2 remaining properties. The estimated cost for the remaining 2 parcels is \$21,000.00. Agency staff is marketing the surplus parcel at 1468 Second Street to the adjacent property owner with a minimum purchase price of \$60,000.00 to reimburse the acquisition appropriation.

Attachments: CRA Resolution No. 2009-____
Agreement for Acquisition of Real Property

/dm-74060

CRA RESOLUTION NO. 2009-__

A RESOLUTION OF THE NORCO REDEVELOPMENT AGENCY AUTHORIZING APPROVAL OF AN ACQUISITION AGREEMENT FOR THE EXCHANGE OF REAL PROPERTY FOR FUTURE EXCESS STREET RIGHT-OF-WAY AT 1885 VALLEY VIEW AVENUE IN ORDER TO FACILITATE THE SECOND STREET WIDENING PROJECT, AND AUTHORIZING THE AGENCY TO ENTER INTO ESCROW FOR SAID EXCHANGE.

WHEREAS, the Norco Redevelopment Agency ("Agency"), under provision of the California Community Redevelopment Law, is engaged in activities necessary for the execution of the Redevelopment Plan for Norco Redevelopment Project Area No. One ("Project Area"); and

WHEREAS, in order to effectuate the provisions of that Redevelopment Plan, the Agency proposed to purchase certain real property within the Project Area for the Second Street Widening Project; and

WHEREAS, the Agency and Owner have entered into agreement to exchange 1,204.37 square feet of property located at 1885 Valley View Avenue in Norco, California for 7,012 square feet of future excess Valley View Avenue street right-of-way; and

WHEREAS, the terms of negotiations have been reached and a value has been reached to reimburse the property owner for improvements to be removed and not replaced with the street construction in the amount of \$4,455.00 and \$1, 000 for escrow deposit for a grand total amount of \$5,455.00.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The payment for funds for the acquisition of these properties is in accordance with Section 33445 (a) of the Community Redevelopment Law of the State of California, more particularly "that improvements are of benefit to the Project Area of or the immediate neighborhood in which the project is located."

SECTION 2. The Norco Redevelopment Agency in regular session assembled on October 21, 2009 hereby approves the exchange of the real property for future excess street right-of-way located at 1885 Valley View Avenue, reimbursement for removed improvements, not replaced, with incidental costs for the total amount of \$5,455.00 and authorizes the Agency to enter into escrow for the exchange of property.

PASSED AND ADOPTED by the Norco Redevelopment Agency at a regular meeting held on November 18, 2009.

Chairman, Norco Redevelopment Agency

ATTEST:

Secretary, Norco Redevelopment Agency

I, Brenda Jacobs, Secretary of the Norco Redevelopment Agency, do hereby certify that the foregoing Resolution was regularly introduced and adopted by the Norco Redevelopment Agency at a regular meeting thereof held on November 18, 2009 by the following vote of the Norco Redevelopment Agency Members:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on November 18, 2009.

Secretary, Norco Redevelopment Agency

/dm-74061

**PURCHASE AND SALE AGREEMENT AND
ESCROW INSTRUCTIONS**

This Purchase and Sale Agreement and Escrow Instructions ("Agreement"), dated this 2nd day of OCTOBER, 2009, is entered into by and between the City of Norco, ("Buyer"), and Daniel Schlossberg, ("Seller").

RECITALS

A. Seller is the owner of that certain real property ("Seller's Property") located on Second Street, Norco, California more particularly described in Exhibit "A" and Exhibit "B" attached hereto.

B. Buyer is the owner of this certain real property ("Buyer's Property") located on Valley View Avenue, Norco, California, which property is excess street right-of-way, and more particularly described in Exhibit "C" attached hereto.

C. Seller agrees to irrevocably dedicate Seller's Property to Buyer at no cost to Buyer as right-of-way to utilize in the Second Street Widening Project in exchange for Buyer conveying at no cost to Seller Buyer's Property at such time as Valley View Avenue is realigned with Second Street.

D. In the event that the realignment of Valley View Avenue with Second Street is not completed within two (2) years of the opening of Escrow, Buyer shall not convey Buyer's Property to Seller, but rather Buyer shall pay to Seller the purchase price as set forth below.

AGREEMENT

ARTICLE I

1.1 Dedication, Sale and Purchase. Subject to the terms and conditions set forth in this Agreement, and as contained in the Recitals, which are incorporated hereat, Seller agrees to irrevocably dedicate Seller's Property to Buyer and Buyer agrees to accept the dedication of Seller's Property.

1.2 Purchase Price. Buyer agrees to convey Buyer's Property to Seller at no cost to Seller upon the completion of the Valley View Avenue/Second Street realignment. In the event that the Valley View Avenue/Second Street realignment is not completed as set forth in paragraph D above, Buyer shall not convey Buyer's Property, but in lieu thereof, shall pay to Seller the total purchase price for Seller's Property, which purchase price shall be Fourteen Thousand Four Hundred and Forty Eight Dollars (\$14,448.00), (the "Purchase Price") or per new appraisal report.

1.3 Extra Construction Items. It is understood and agreed by and between parties in addition to the compensation shown in Paragraph 1.2 hereinabove, the Buyer, its contractor or assigns, shall perform the following construction contract items at the time of the installation of the proposed project:

- i. Replace the existing fence on Second Street to the new right-of-way in kind on top of new retaining wall. City Contractor to salvage as much wrought iron from the existing fence as practical. All existing damaged wrought iron to be replaced with new in-kind.
- ii. Remove existing fencing along Valley View and replace with new fence to be of wrought

iron or white plastic or equivalent at the choice of the property owner. Fence height to be per zoning code.

- iii. Construct a 20+ foot wide concrete and brick driveway to match existing, extending from the current Valley View property line to the proposed Valley View street alignment.
- iv. Restore irrigation system affected by construction along Second Street to working order. Restore existing sewer and water lines affected by construction.
- v. Outside of escrow upon commencement of construction project, reimburse Seller \$4,455.00 for landscape improvements removed with the construction.
- vi. Removal of street asphalt and base to natural soil free of contaminants.

1.4 Payment by Buyer. Within three (3) days the Opening of Escrow (as hereinafter defined), Buyer shall deliver One Thousand Dollars (\$1,000) in cash or other immediately available funds to the Escrow Holder as a deposit (the "Deposit"). Until the Close of Escrow (as hereinafter defined) or until Escrow is terminated as herein provided, Escrow Holder shall invest the deposit in an interest-bearing account with interest accruing thereon for the account of the Buyer. The remainder of the Purchase Price shall be paid at the Close of Escrow unless the realignment of Valley View Avenue/Second Street is completed as set forth in paragraph D above, at which time this Escrow shall be closed and the deposit shall be returned to Buyer.

1.5 Condition of Title. At Closing, each respective Party shall convey to the other Party good and marketable title in fee simple their respective Property subject only to all easements, restrictions, or covenants of record which do not interfere with the use of their respective Property for the purposes, including, without limitation, current, non-delinquent real property taxes and Items 3 and 4 of the Preliminary Title Report No. O-SA-1970834 issued by First American Title Company dated June 16, 2005 (the "Permitted Exceptions").

ARTICLE II REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties of Seller and Buyer True and Correct. Seller and Buyer hereby represent and warrant that the following facts are true and correct as of the date hereof. The truth and accuracy of the following representations and warranties shall constitute a condition precedent to the Close of Escrow for the benefit of the respective Parties. These representations and warranties shall survive the Close of Escrow and the recording of the respective Grant Deed(s) and shall not be deemed merged into the respective Grant Deed(s) upon its recordation.

(a) Power and Authority. Seller and Buyer have the legal power, right and authority to enter into this Agreement and the instruments, referenced herein, and to consummate the transactions contemplated hereby. The individuals executing this Agreement and the instruments referenced herein on behalf of the respective Parties have the legal power, right and actual authority to bind respective Party to the terms and conditions hereof and thereof. Furthermore, each Party warrants that it has good and marketable title to their respective Property.

(b) Requisite Action. All requisite action has been taken by Seller and Buyer in connection with the entering into of this Agreement, the instruments referenced herein, and the consummation of the transactions contemplated hereby.

(c) Validity. This Agreement and all documents required hereby to be executed by the Parties are and shall be valid, legally binding obligations of and enforceable against each Party in accordance with their terms subject only to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting or limiting the rights of contracting Parties generally. Neither the execution and delivery of this Agreement and documents referenced herein, nor the consummation of the transactions contemplated herein, conflict with or result in the material breach of any terms or provisions of any contract, loan, or other agreement or instrument to which Seller or Buyer is a party or affecting the respective Party's Property. All consents, approvals and authorizations necessary for the execution of this Agreement and the consummation of the transactions contemplated herein by Seller and Buyer have been or will be obtained. Neither Party has sold, conveyed or entered into any contract for the sale of all or any portion of the respective Party's Property or any rights incident thereto, nor do there exist any rights of first refusal or options to purchase the respective Party's Property or any rights incident thereto.

(d) Recitals. The information contained in the Recitals is true and correct.

(e) Lawsuits and Claims. To Seller's and Buyer's actual knowledge, without any duty of inquiry or investigation, there are no pending actions, lawsuits, claims or judicial, municipal or administrative proceedings affecting all or any portion of their respective Property or in which either is a party by reason of their respective ownership of their respective Property. To Seller's and Buyer's knowledge, there are no threatened or contemplated actions, lawsuits, claims or proceedings nor the existence of any facts which might give rise to such actions, lawsuits, claims or proceedings. During the Escrow period, neither Seller nor Buyer will commence or defend any action with respect to their respective Property except upon such terms as are mutually acceptable to Seller and Buyer.

(f) Condition of Property. Neither Party has received notice of any violation of applicable governmental regulations relating to their respective Property, any existing or contemplated plan to widen or modify any street or highway contiguous to their respective Party's Property or any other plan, study or effort of any applicable governmental authorities relating to their respective Party's Property.

(g) Hazardous Materials. To Seller's and Buyer's actual knowledge, without any duty of inquiry or investigation, all operations or activities upon, or use or occupancy of their respective Party's Property or any current occupant or user thereof are in compliance with all state, federal and local laws and regulations governing or in any way relating to the generation, handling, manufacturing, treatment, storage, use, transportation, spillage, leakage, dumping, discharge or disposal (whether accidental or intentional) of any toxic or hazardous substances, materials or wastes, including, without limitation, any hazardous material (as such terms are commonly defined or employed in accordance with applicable federal, state or local laws, codes, ordinances, rules and regulations). To the respective Parties actual knowledge, without any duty of inquiry or investigation, there is not present upon their respective Property, or on any portion thereof, underground storage tanks, any hazardous material or any structures, fixtures, equipment or other objects or materials containing any hazardous material in violation of any applicable environmental law.

(h) Leases and Contracts. To Seller's and Buyer's knowledge, there are no oral or written leases, subleases, licenses, occupancies, or tenancies in effect pertaining to their respective Party's Property, and no persons or entities occupy or have the right to occupy or use all or any portion of the Property. To Parties knowledge, except as disclosed by Seller to Buyer or vice versa, there are no service or maintenance contracts, warranties, guarantees, bonds, insurance policies or other agreements (whether oral or written) which will affect or be obligations of Buyer or their respective Party's Property after the Close of Escrow. At the

Close of Escrow, the Parties shall deliver possession of their respective Property free of actual occupancy and any right of occupancy by the Party.

(i) Changes. Each Party shall promptly notify the other party of any material, adverse change in any condition with respect to their respective Property or of any event or circumstance which makes any representation of warranty under this Agreement untrue or any covenant under this Agreement incapable or less likely of being performed, it being understood that obligation to provide notice shall in no way relieve either party of any liability for a breach of any of its representations, warranties or covenants under this Agreement.

(j) General Representation. No representation, warranty or statement in this Agreement or in any document, certificate of schedule prepared by the respective Party and to be furnished pursuant to the terms of this Agreement contains any untrue statement of material fact.

Except for the representations and warranties explicitly set forth above, the Parties hereby release the other Party's affiliates, officers, directors, partners, employees, and agents, and their respective heirs, successors, personal representatives and assigns, from and against any and all claims which any Party may have and which arise out of or are in any way connected with this Agreement and their respective Party's Property, including, without limitation, every physical and environmental condition of the Property. THE PARTIES EXPRESSLY WAIVES ITS RIGHTS GRANTED UNDER CALIFORNIA CIVIL CODE SECTION 1542 AND UNDER ANY PROVISION OF LAW THAT PROVIDES A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT A PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN ITS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY IT MUST HAVE MATERIALLY AFFECTED ITS AGREEMENT TO RELEASE THE OTHER PARTY. THE PARTIES HEREBY AGREE, REPRESENT AND WARRANT THAT THE PARTIES REALIZE AND ACKNOWLEDGE THAT FACTUAL MATTERS NOW UNKNOWN TO THE PARTIES MAY HAVE GIVEN OR MAY HEREAFTER GIVE RISE TO CLAIMS WHICH ARE PRESENTLY UNKNOWN, UNANTICIPATED AND UNSUSPECTED, AND FURTHER AGREE, REPRESENT AND WARRANT THAT THE WAIVERS AND RELEASES HEREIN HAVE BEEN NEGOTIATED AND AGREED UPON IN LIGHT OF THAT REALIZATION, AND THAT THE RESPECTIVE PARTIES NEVERTHELESS HEREBY INTEND TO RELEASE, DISCHARGE AND ACQUIT THE OTHER PARTY FROM ANY SUCH UNKNOWN CLAIMS, AND THAT SUCH WAIVERS AND RELEASES FORM A MATERIAL PORTION OF THE CONSIDERATION GIVEN TO IN EXCHANGE FOR THE RESPECTIVE PARTIES PERFORMANCE UNDER THIS AGREEMENT. THE PARTIES HAVE CONSULTED WITH LEGAL COUNSEL CONCERNING THE EFFECTS OF THIS WAIVER AND RELEASE ON PARTIES RIGHTS AND REMEDIES RELATED TO THEIR RESPECTIVE PROPERTY.

Initials:

Buyer: _____

Seller:



2.2 Representations of Buyer. Buyer is validly existing as a California Charter City and has performed all acts and obtained all approvals and consents, in each case as necessary to offer to purchase and to purchase the Property. Buyer has the full authority and power to comply with all of its obligations set forth in this Agreement.

ARTICLE III
COVENANTS OF SELLER AND BUYER AND INSPECTION PERIOD

3.1 License to Enter. The Parties hereby agree that each respective Party and/or their agents, representatives, contractors and subcontractors may, following the Opening Date and prior to the Closing Date, conduct its own reasonable engineering studies, environmental assessment, soil and compaction tests and other tests and studies on the Property entered upon provided that (i) such activities do not impair the drainage of the Property; and (ii) Buyer shall be responsible for any damage caused thereby to the Property. The inspecting party shall be responsible for any liability, cost, claim, damage or injury caused by such entry and shall keep the Property free of any and all liens arising therefrom. The Parties shall mutually indemnify and hold one another harmless and defend one another from and against such liability, loss, judgment, cost, claim, damage or injury, including but not limited to attorneys' fees and costs, arising out of or in connection with entry or testing on a Property by the Parties or its agents, representatives, contractors or subcontractors.

3.2 Inspection Review Period. The Parties shall have a period of thirty (30) days from the opening of Escrow, which shall mean the date on which Buyer and Seller execute a Contract for Sale and Purchase, to approve at their sole discretion, the following, which shall be provided by the Parties to one another, upon request and as applicable, within five (5) days from opening of escrow, and include, but not be limited to:

- 1) Preliminary Title Report and related documents.
- 2) Plat Map
- 3) Hazardous Substance Condition report.
- 4) Size and description of the property.
- 5) ALTA Survey.
- 6) Geotechnical Report, if any.

Thereafter, all Property will be sold "As is" with Seller and Buyer making no additional representations or warranties concerning the Property.

ARTICLE IV
ESCROW

4.1 Agreement to Constitute Escrow Instructions. This Agreement together with any General Provisions of Escrow Holder (the "General Provisions") collectively shall constitute escrow instructions and a copy hereof shall be deposited with Escrow Holder for this purpose. In the event of any inconsistency between the terms of the General Provisions and this Agreement, the provisions of this Agreement shall prevail to the extent of any such inconsistency.

4.2 Escrow Holder. The escrow (the "Escrow") shall be determined within the discretion of the Buyer.

4.3 Opening of Escrow. Escrow shall open on the date on which a copy of this Agreement, properly executed by the Parties hereto, has been deposited with Escrow Holder (the "Opening of Escrow"), which copy the Parties hereto agree shall be delivered to Escrow Holder immediately following execution. Escrow Holder

shall notify the Parties immediately upon receipt of a copy of this Agreement as so executed as to the date of the Opening of Escrow.

4.4 Close of Escrow. The Closing shall occur not later than two (2) years after Opening of Escrow (the "Scheduled Closing Date"), unless extended by mutual written agreement of the Parties. For purposes of this Agreement, the terms "Closing Date" and the "Close of Escrow" mean the date on which the Closing occurs and the term "Closing" means the recordation of the respective Grant Deed(s)(s).

4.5 Certain Obligations of Buyer.

(a) In addition to any other obligations contained in this Agreement, Buyer shall have deposited the Deposit into Escrow as required pursuant to Section 1.3 or before the time set forth in such Section.

(b) Not later than one (1) business day prior to the Scheduled Closing Date, Buyer shall deposit into Escrow:

(i) The total Purchase Price, less the Deposit, as provided in Section 1.3, in cash or by wire transfer.

(c) All other sums and documents required by Escrow Holder to be deposited by Buyer to carry out this Escrow.

(d) Subject to Section 1.2 hereof, a Grant Deed in the Title Company's usual form, duly executed, acknowledged and in recordable form conveying Buyer's interest in Buyer's Property.

4.6 Certain Obligations of Seller. In addition to any obligations contained in this Agreement, not later than one (1) business day prior to the Scheduled Closing Date, Seller shall deposit with Escrow Holder:

(a) A Grant Deed(s) in the Title Company's usual form, duly executed, acknowledged and in recordable form conveying Seller's interests in the Seller's Property to Buyer.

(b) All other sums and documents required by Escrow Holder to be deposited by Seller to carry out this Escrow.

4.7 Conditions to Seller's Obligation to Sell. Seller's obligation to sell the Property is expressly conditioned upon each of the following:

(a) Buyer shall have deposited with Escrow Holder all sums and documents required pursuant to Section 4.5.

(b) Buyer shall have timely performed each obligation and covenant of Buyer required pursuant to this Agreement.

(c) All representations and warranties of Buyer hereunder are materially true and correct.

4.8 Conditions to Buyer's Obligation to Buy. Buyer's obligation to buy the Property is expressly conditioned upon each of the following:

(a) Seller shall have deposited with Escrow Holder all sums and documents required pursuant to Section 4.6.

(b) Seller shall have timely performed each obligation and covenant of Seller required pursuant to this Agreement.

(c) Escrow Holder holds for issuance the Title Policy (as hereinafter defined).

(d) All representations and warranties of Seller hereunder are materially true and correct.

(e) No material adverse change shall have occurred to the condition of the Property or the improvements thereon.

4.9 Title Policy. Escrow Holder is hereby instructed to deliver to Buyer, at Buyer's cost, through Escrow a Standard ALTA owner's policy of title insurance from Fidelity National Title Insurance Company with regional exceptions dated the date and time of Closing with liability in the amount of the Purchase Price (the "Title Policy"). The Title Policy shall insure Buyer, as owner of good, marketable and indefeasible fee title to their Seller's Property subject only to (i) the standard printed title company exceptions and (ii) the Permitted Exceptions.

4.10 Recordation of the Grant Deed(s) and Delivery of Funds. Upon receipt of the documents and sums described in this Article IV, and subject to Section 1.4 hereof Escrow Holder shall cause the respective Grant Deed(s) to be recorded (with documentary transfer tax information to be affixed after recordation) in the office of the County Recorder of Riverside County, California, and shall deliver the proceeds of the Escrow less appropriate charges to Seller. A conformed copy of the recorded Grant Deed(s) shall be delivered to the applicable Party immediately following the Closing. All sums to be disbursed to Seller by Escrow Holder shall be by certified or cashiers check of Escrow Holder or by wire transfer if Escrow Holder is so advised by Seller.

(a) Prorations. Real property taxes and any other assessment payment, shall be prorated as of Close of Escrow.

(b) Costs of Escrow.

(i) Buyer shall pay all costs of Escrow.

4.11 Broker's Commission. The Parties represent that neither was represented by a broker and will indemnify the other Party from any claims, damage, or expense for any and all commission fees.

4.12 Default. Time is of the essence in this Agreement and if Buyer or Seller (the "Defaulting Party") fails to deposit any of the amounts due pursuant to this Agreement, or to perform any other act when due, then the other party (the "Non-Defaulting Party") may initiate any of its rights under this Agreement, in law or in equity by notice in writing to the Defaulting Party and Escrow Holder. Should Buyer default, Seller shall be entitled to retain Buyer's deposit as liquidated damages. If the Defaulting Party has not fully cured the default within seven (7) calendar days after receipt of said notice by the Defaulting Party, Escrow Holder may be instructed by the Non-Defaulting Party to cancel this Escrow and the Non-Defaulting Party shall thereupon be released from its obligations under this Agreement.

4.13 Statement of Buyer and Seller Concerning Executory Terms. Buyer and Seller acknowledge that the consummation of the Escrow is contingent upon compliance with some or all of the executory terms and provisions this Agreement and that the Parties hereto are the sole persons or entities entitled and authorized to determine whether all executory terms and provisions required to be performed prior to the close of Escrow have been satisfied or deemed satisfied prior to the close of Escrow. Accordingly, prior to the Scheduled Closing Date, Buyer and Seller shall each deposit with Escrow Holder a written statement acknowledging that all executory terms and provisions of this Agreement, insofar as the same relate to each party respectively and any obligation of Escrow Holder relating thereto, have been satisfied, deemed satisfied or waived. Deposit of such statement with Escrow Holder shall constitute each Party's authorization to close Escrow.

4.14 Termination of Agreement. In the case of termination of this Agreement in accordance with its terms and cancellation of the Escrow, all documents and funds (together with any interest accrued thereon) previously deposited into the Escrow shall be promptly returned to the depositing party by the person or entity then holding such documents and funds, and all rights and obligations of the Parties existing hereunder shall thereafter terminate and be of no further force and effect except for the indemnification of Buyer in Recital B, and in Sections 3.1, and 4.11, all of which shall survive the termination of this Agreement and except as provided in Section 4.6.

4.15 Escrow Cancellation Charges. In the event that this Escrow shall fail to close by reason of the default of either party hereunder, the defaulting party shall be liable for all Escrow cancellation charges. In the event that the Escrow shall fail to close for any other reason, each party shall be liable for one-half (1/2) of all Escrow cancellation charges.

4.16 Delay in Closing: Authority to Close. If Escrow Holder cannot close the Escrow on or before the Scheduled Closing Date, it will, nevertheless, close the same when all conditions have been satisfied or waived, notwithstanding that one or more of such conditions has not been timely performed, unless after the Scheduled Closing Date and prior to the close of the Escrow, Escrow Holder receives a written notice to terminate the Escrow and this Agreement from a party who, at the time such notice is delivered, is not in default hereunder. The exercise of such right, and the return of moneys and documents, shall not affect the right of the permitted in this Agreement for the other Party's breach of this Agreement. In addition, the giving of such notice, the failure to object to termination of the Escrow or the return of moneys and documents shall not affect the right of the other party to pursue other remedies permitted hereunder for the breach of the party who gives such notice.

ARTICLE V MISCELLANEOUS PROVISIONS

5.1 Incorporation of Exhibits. All exhibits attached hereto and referred to herein are incorporated in this Agreement as though fully set forth herein.

5.2 Attorneys' Fees. In any legal proceeding between Buyer and Seller seeking enforcement of or attempting to construe any of the terms and provisions of this Agreement, or in connection with any of the property described herein, including, without limitation, insolvency, bankruptcy, arbitration, declaratory relief or other litigation, the prevailing party in such action shall be awarded, in addition to damages, injunctive or other relief, its reasonable costs and expenses, including, without limitation, service of process, filing fees, court and court reporter costs, investigation costs, expert witness fees and the cost of any bonds, and reasonable attorneys' fee.

5.3 Notices. All notices required or permitted by this Agreement shall be in writing and may be delivered in person (by hand delivery or professional messenger service) to either party or may be sent by registered or certified mail, with postage prepaid, return receipt requested or delivered by Express Mail of the U.S. Postal Service or Federal Express or any other courier service guaranteeing overnight delivery, charges prepaid, addressed as follows:

If to Buyer at:

City of Norco
2870 Clark Avenue
Norco, California 92860
Attn: Dominic C. Milano

With a copy to:

John R. Harper
Harper & Burns LLP
453 S. Glassell Street
Orange, California 92866

If to Seller at:

Daniel Schlossberg
1885 Valley View Avenue
Norco, California 92860

If to Escrow Holder at:

First American Title Company
5 First American Way
Santa Ana, CA 92707

Any such notice sent by registered or certified mail, return receipt requested, shall be deemed to have been duly given and received seventy-two (72) hours after the same is so addressed and mailed in Los Angeles, Orange, San Bernardino or Riverside Counties with postage prepaid. Notices delivered by overnight service shall be deemed to have been given twenty-four (24) hours after delivery of the same, charges prepaid, to the U.S. Postal Service or private courier. Any notice or other document sent by any other manner shall be effective only upon actual receipt thereof. Any party may change its address for purposes of this Section by giving notice to the other party and to Escrow Holder as herein provided.

5.4 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of each of the Parties hereto and their respective successors and permitted assigns.

5.5 Assignment. This Agreement may not be assigned by either party without the express written consent of the other party first had and obtained. Except as provided in the preceding sentence, any assignment of delegation of rights, duties or obligations hereunder made without the prior written consent of the other party or Parties hereto shall be void and of no effect. No such assignment shall be deemed to relieve the assigning party from any liability or responsibility hereunder.

5.6 Relationship of Parties. The relationship of the Parties to this Agreement shall be solely that of Buyer and Seller, and nothing herein contained shall be construed otherwise.

5.7 Governing Law. This Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the internal laws of the State of California.

5.8 Entire Agreement: Amendment. This Agreement contains all of the agreements of the Parties hereto with respect to the matters contained herein and no prior or contemporaneous agreement or understanding, oral or written, pertaining to any such matters shall be effective for any purpose. No provision of this Agreement may be modified, waived, amended or added to except if in writing and signed by the party against which the enforcement of such modification, waiver, amendment or addition is or may be sought.

5.9 Pronouns. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine or neuter, singular or plural, as the identity of the Parties may require.

5.10 Headings. The headings of this Agreement are for purposes of reference only and shall not limit or define the meaning of the provisions of this Agreement.

5.11 Severability. If any paragraph, section, sentence, clause or phrase contained in this Agreement shall become illegal, null or void, against public policy, or otherwise unenforceable, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void, against public policy, or otherwise unenforceable, the remaining paragraphs, sections, sentences, clauses or phrases contained in this Agreement shall not be affected thereby.

5.12 Waiver. The waiver of any breach of any provision hereunder by Buyer or Seller shall not be deemed to be a waiver of any preceding or subsequent breach hereunder. No failure or delay of any party in the exercise of any right given hereunder shall constitute a waiver thereof nor shall any partial exercise of any right preclude further exercise thereof.

5.13 Further Assurances. Seller and Buyer each agree to do such further acts and things and to execute and deliver such additional agreements and instruments as the other may reasonably require to consummate, evidence or confirm the sale or any other agreement contained herein in the manner contemplated hereby.

5.14 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which shall constitute one and the same instrument.

5.15 Time of Essence. Time is of the essence in this Agreement as to all dates and time periods set forth herein.

5.16 Recitals. The provisions of the recitals of this Agreement shall constitute operative and enforceable provisions of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties on the dates set forth under their respective signatures below, notwithstanding that this Agreement is dated for convenience and reference as of the date and year first written above.

BUYER:

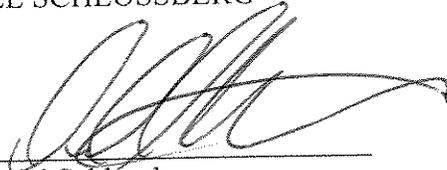
CITY OF NORCO

By: _____
City Manager

Dated: _____, 2009

SELLER:

DANIEL SCHLOSSBERG

By: 
Daniel Schlossberg

Dated: OCT 22, 2009

EXHIBIT "A"

**LEGAL DESCRIPTION
(SELLER'S PROPERTY)**

PARCEL NO.:
TITLE ORDER NO.: O-SA-1970834
ESCROW NO.:
A.P.N.: 125-190-005

PROJECT: NORCO – 2ND STREET IMPROVEMENTS

RECORDING REQUESTED BY:
CITY OF NORCO

WHEN RECORDED MAIL TO:
CITY OF NORCO
2870 CLARK AVENUE
NORCO, CA 92860

DOCUMENTARY TRANSFER TAX \$ NONE
FREE RECORDING REQUESTED Essential to acquisition by
City of Norco, California See Govt. Code 6103

GRANT DEED

Riverside County
APN: 125-190-005 [] All
[X] Portion

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Daniel Schlossberg, a married man as his sole and separate property

hereby GRANT (S) to the CITY OF NORCO, A MUNICIPAL CORPORATION

all rights, interests, or title to the real property in the City of Norco, County of Riverside, State of California, described on Exhibit "A" and shown on Exhibit "B", which exhibits are attached hereto and by reference made a part hereof.

IN WITNESS WHEREOF, the grantor hereto has caused this Grant Deed to be executed as of this 22ND day of OCTOBER, 2009.


Daniel Schlossberg

EXHIBIT "A"

LEGAL DESCRIPTION

REAL PROPERTY IN THE CITY OF NORCO, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THE NORTHERLY 17.66 FEET OF THAT PROPERTY DESCRIBED IN AN INTERSPOUSAL TRANSFER GRANT DEED PER DOCUMENT NO. 2005-0992346, RECORDED NOVEMBER 30, 2005, OFFICIAL RECORDS OF SAID COUNTY;

CONTAINS 0.028 ACRES (1,202.41 SQUARE FEET), MORE OR LESS.

SUBJECT TO ALL RESERVATIONS, RESTRICTIONS, EASEMENTS, OFFERS OF DEDICATIONS AND RIGHT OF WAY RECORDS.

THE HEREIN ABOVE DESCRIBED PARCEL IS SHOWN ON EXHIBIT B.

Edward J. Bonadiman, L.S.
P.L.S. 7529 Exp. 12-31-09

Date

EXHIBIT B

STREET DEDICATION

JANUARY 23, 2009

LEGEND



LIMITS OF DEDICATION



STREET CENTERLINE

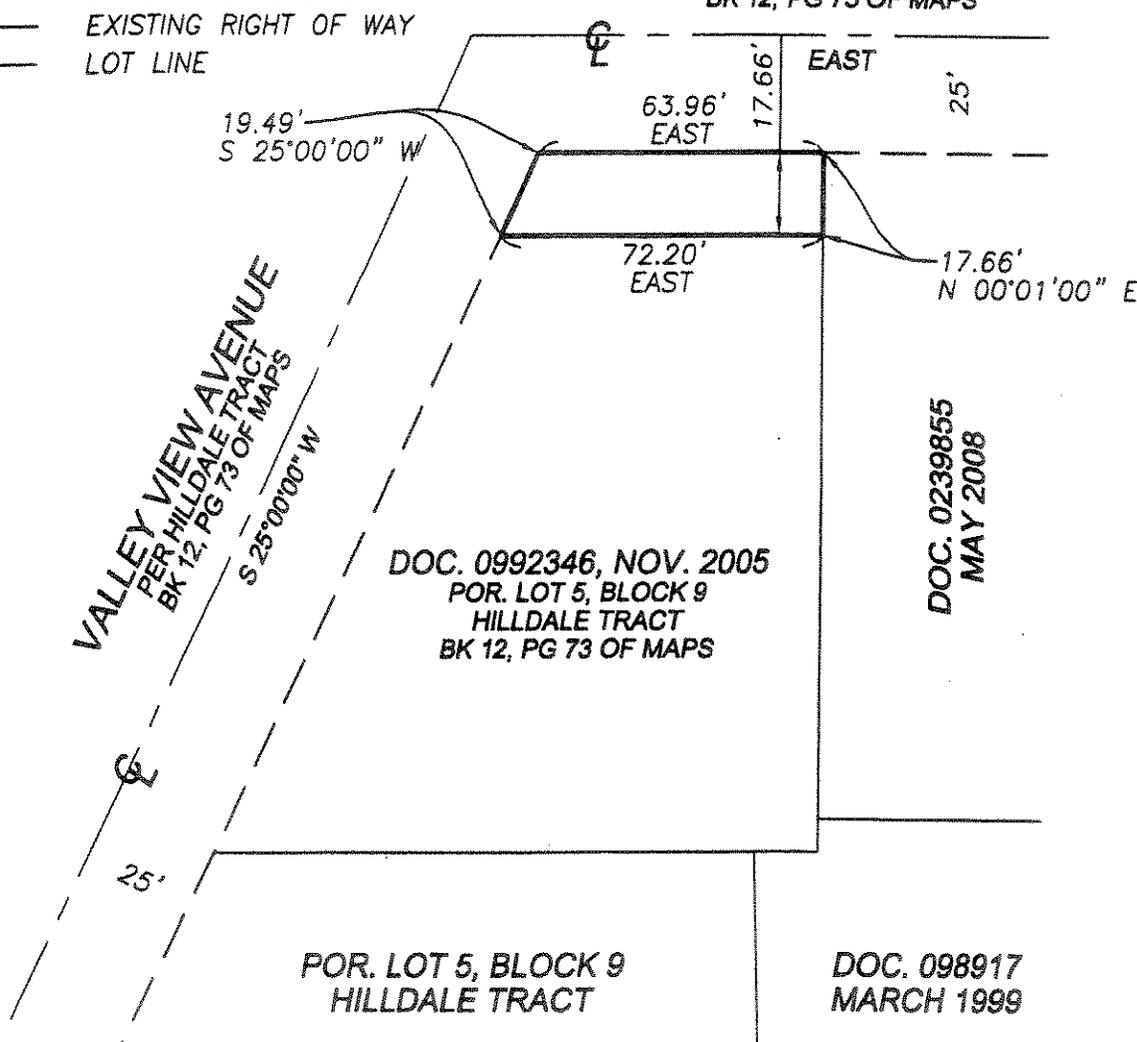


EXISTING RIGHT OF WAY



LOT LINE

SECOND STREET
PER HILLDALE TRACT
BK 12, PG 73 OF MAPS



DOC. 0992346, NOV. 2005
POR. LOT 5, BLOCK 9
HILLDALE TRACT
BK 12, PG 73 OF MAPS

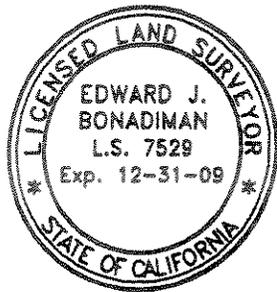
DOC. 0239855
MAY 2008

POR. LOT 5, BLOCK 9
HILLDALE TRACT

DOC. 098917
MARCH 1999

SURVEYOR'S NOTE:

THIS DOCUMENT WAS PREPARED BY ME, OR
UNDER MY DIRECTION IN CONFORMANCE WITH
THE PROFESSIONAL LAND SURVEYOR'S ACT



EDWARD J. BONADIMAN, P.L.S. 7529
EXP. 12-31-09

CITY OF NORCO, CA - PUBLIC WORKS DEPARTMENT

Prepared by: DMC Design Group
Address: 140 N. Maple Street, Suite 104
Corona, CA 92880

Scale: 1"=40'
Assessor's Parcel Number(s): 125-190-005

Date Exhibit Prepared: 1-23-2009

GRAPHIC SCALE

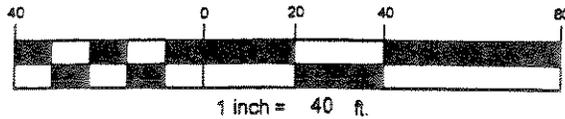
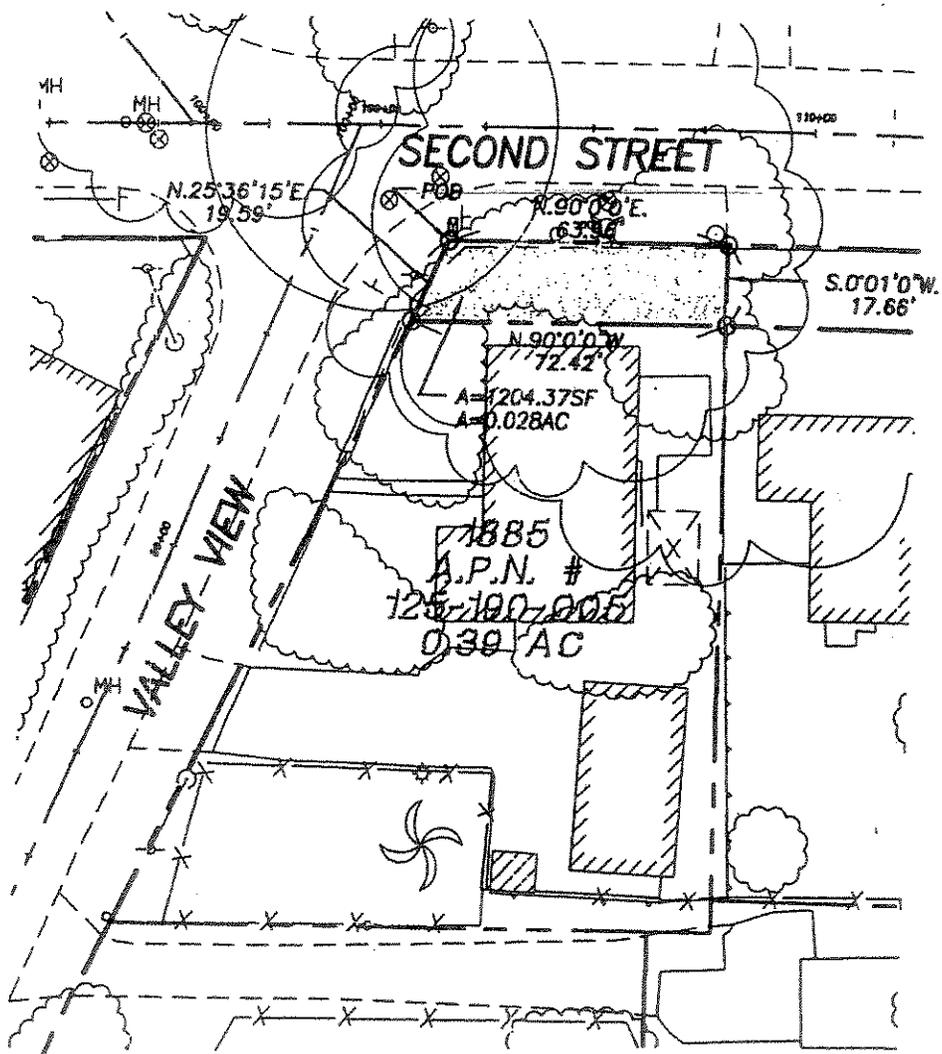


EXHIBIT "B"

SITE MAP

EXHIBIT "B"



A = 204.37SF
A = 0.028AC

1885
A.P.N. #
125-100-005
0.39 AC

GRAPHIC SCALE



(IN FEET)
1 inch = 40 ft.



CITY OF NORCO

DEDICATION OF
RIGHT-OF-WAY

LEGAL DESCRIPTION:

SEE EXHIBIT A

DESIGN BY:

SCALE:

FILE NO.:

1" = 40'

600P014A

CHECKED BY:

W.O. #

SHEET NO.:

2 OF 2

EXHIBIT "C"

LEGAL DESCRIPTION
(CITY VACATION)

EXHIBIT "A"

LEGAL DESCRIPTION

THAT PROPERTY IN THE CITY OF NORCO, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PORTION OF VALLEY VIEW AVENUE AS DESCRIBED IN THE HILLDALE TRACT, AS PER MAP RECORDED IN BOOK 12, PAGE 73 OF MAPS, OFFICIAL RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE SOUTH LINE OF SECOND STREET AND THE EAST LINE OF VALLEY VIEW AVENUE, BOTH SHOWN ON SAID MAP, THENCE SOUTH ALONG THE EAST LINE OF SAID VALLEY VIEW AVENUE A DISTANCE OF 19.49 FEET TO THE TRUE POINT OF BEGINNING (TPOB);

THENCE SOUTH ALONG THE EAST LINE OF SAID VALLEY VIEW AVENUE A DISTANCE OF 146.02 FEET TO THE SOUTHWEST CORNER OF THAT PROPERTY DESCRIBED IN AN INTERSPOUSAL TRANSFER GRANT DEED, DOCUMENT NO. 2005-0992346, RECORDED NOVEMBER 30, 2005, OFFICIAL RECORDS OF SAID COUNTY;

THENCE WEST, PARRALEL TO THE SOUTH LINE OF SAID INTERSPOUSAL TRANSFER GRANT DEED, A DISTANCE OF 38.95 FEET, MORE OR LESS;

THENCE NORTH, PERPENDICULAR TO THE SOUTH LINE OF SAID SECOND STREET, 34.77 FEET TO A POINT ON THE WEST LINE OF SAID VALLEY VIEW AVENUE;

THENCE NORTH ALONG THE WEST LINE OF SAID VALLEY VIEW AVENUE A DISTANCE OF 107.66 FEET;

THENCE EAST, PARALLEL TO THE SOUTH LINE OF SAID SECOND STREET, A DISTANCE OF 55.17 FEET TO THE TRUE POINT OF BEGINNING (TPOB);

CONTAINS 0.161 ACRES (7,019.04 SQUARE FEET), MORE OR LESS.

SUBJECT TO ALL RESERVATIONS, RESTRICTIONS, EASEMENTS, OFFERS OF DEDICATIONS AND RIGHT OF WAY RECORDS.

THE HEREIN ABOVE DESCRIBED PARCEL IS SHOWN ON EXHIBIT B.

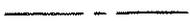
Edward J. Bonadiman, L.S.
P.L.S. 7529 Exp. 12-31-09

Date

EXHIBIT B

RIGHT OF WAY VACATION
JANUARY 23, 2009

LEGEND

-  LIMITS OF VACATION
-  STREET CENTERLINE
-  EXISTING RIGHT OF WAY
-  LOT LINE

SECOND STREET
PER HILDALE TRACT
BK 12, PG 73 OF MAPS

POINT OF COMMENCEMENT

25' EAST

55.17' EAST

19.49' S 25°00'00" W

TRUE POINT OF BEGINNING (TPOB)

DOC. 0666960
AUG. 2005
POR. LOT 2, BLOCK 14
RIVERSIDE ORANGE
HEIGHTS TRACT
BK 6, PG 74 OF MAPS

DOC. 0992346
NOV. 2005
POR. LOT 5, BLOCK 9
HILDALE TRACT
BK 12, PG 73 OF MAPS

VALLEY VIEW AVENUE
PER HILDALE TRACT
BK 12, PG 73 OF MAPS

34.77' NORTH

107.66' N 25°00'00" E

S 25°00'00" W

146.02' S 25°00'00" W

50'

POR. LOT 2, BLOCK 14
RIVERSIDE ORANGE
HEIGHTS TRACT
BK 6, PG 74 OF MAPS

POR. LOT 5, BLOCK 9
HILDALE TRACT

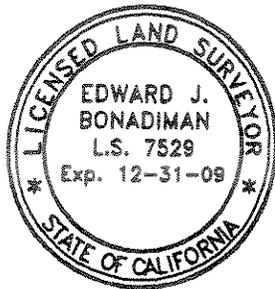
25'

25'

38.95' WEST

SURVEYOR'S NOTE:

THIS DOCUMENT WAS PREPARED BY ME, OR UNDER MY DIRECTION IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYOR'S ACT



EDWARD J. BONADIMAN, P.L.S. 7529
EXP. 12-31-09

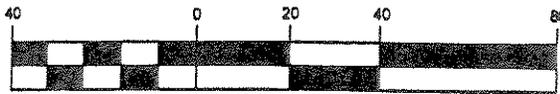
CITY OF NORCO, CA - PUBLIC WORKS DEPARTMENT

Prepared by: DMC Design Group
Address: 140 N. Maple Street, Suite 104
Corona, CA 92880

Scale: 1"=40'
Assessor's Parcel Number(s): N/A

Date Exhibit Prepared: 1-23-2009

GRAPHIC SCALE



1 inch = 40 ft.



CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager *Beth Groves*

DATE: November 18, 2009

SUBJECT: Development of 122 Acres of Property Known as the Silverlakes Equestrian and Sports Park

RECOMMENDATION: Continue the Joint Public Hearing to December 16, 2009.

SUMMARY: The approvals of the following actions are recommended to be continued to a Joint Public Hearing on December 16, 2009:

- a. Norco Silverlakes Ground Lease between the City of Norco and the Norco Redevelopment Agency.
- b. Norco Silverlakes Ground Sub-Lease between the City of Norco and Belstarr Sports Management, LLC.
- c. Shared Use Agreement between the City of Norco and Belstarr Sports Management, LLC.
- d. Report of the Norco Redevelopment Agency concerning the disposition of the Redevelopment Agency property pursuant to California Health & Safety Code Section 33433.
- e. Report of the Norco Redevelopment Agency concerning disposition of Redevelopment Agency property pursuant to California Health & Safety Code Section 33679.
- f. Amendment to Conditional Use Permit No. 2008-09.
- g. Review of draft Development Agreement among the City of Norco, Norco Redevelopment Agency and Belstarr Sports Management, LLC.
- h. Resolution to Adopt Finding that the Silverlakes Sports and Equestrian Park project is consistent with the Deed Restriction on the 122-acre Silverlakes property.

/bj-74123



MINUTES
CITY OF NORCO
SPECIAL MEETING – STUDY SESSION
CITY COUNCIL
CONFERENCE ROOMS “A” & “B”
NORCO CITY HALL – 2870 CLARK AVENUE
OCTOBER 28, 2009

1. CALL TO ORDER: Mayor Azevedo called the meeting to order at 2:05 p.m.
2. ROLL CALL: Mayor Kathy Azevedo, **Present**
Mayor Pro Tem Malcolm Miller, **Present**
Council Member Frank Hall, **Present**
Council Member Berwin Hanna, **Present**
Council Member Richard L. MacGregor, **Present**

Staff Present: Cooper, Groves, Jacobs, King, Okoro, Oulman and Thompson

3. PUBLIC COMMENTS OR QUESTIONS:

Pat Overstreet. Ms. Overstreet stated that the Sycamore Trees on Hamner Avenue, in front of Norco’s Best, have been “butchered.” She noted that this has happened before and the City needs to write an ordinance specifying that trees should not be trimmed to less than 50%.

Public Works Director Thompson stated he thinks that the location where these trees were trimmed is on private property and the City cannot regulate the tree trimming on those locations. He further noted that the City has regulations for trimming trees located in City right-of-way. He stated that he will look into this matter and let Mayor Azevedo and Ms. Overstreet know what he finds out.

Harvey Sullivan. Mr. Sullivan sited a property in Norco where the trees were trimmed excessively, as well and almost destroyed. He stated that the trees were on City property, but the owner did the trimming.

4. CITY COUNCIL STUDY SESSION ITEMS:

- A. Overview from the City Manager.
- B. Automated Meter Reading Project Status Update. (Deputy City Manager/Director of Finance)

Deputy City Manager/Finance Director Okoro introduced Ms. Susan McMullan, Regional Manager from Triton Water Technologies, who gave a brief overview of the project through a PowerPoint presentation.

- The AMI System will provide real-time reporting to customers (hourly reads/fixed network).
- The fixed network will provide high quality at a low cost.

Agenda Item 4.A.

- The AMI System transmits a signal to every house (two strategically antennas will be placed on reservoirs in the City) and back to City Hall. This data will be available, through a log-in procedure, on the City's Web Site.
- Customer service, references, the cost of the total program and the exceptions to the agreement were an important part of the decision making. Only three (3) vendors met the qualifications required.
- Aqua Metric was selected as the vendor with the FlexNet program and technology.
- Benefits include reduced costs, improved revenue, advanced management controls, and better customer service.
- The cost estimate for the Automated Meter Reading Project totals \$2,810,199.
- Residents will notice a "jump in usage" with a new meter because of better accuracy (average of 5 – 15% increase in revenue to the City will be noticed) -- New meter accuracy is 98.5%.
- The technology "can" provide a tier structure, but will not be implemented by Triton Water.
- The lids are strong and will be custom designed for this technology. There will be traffic rated and non-traffic rated lids throughout the City made out of materials that will meet the requirements.
- The pay-back on the AMI System will be in ten (10) years on an amortized schedule with payment of \$369,328 per year at 5.7% interest. Maintenance cost, avoided costs, and improved revenue are included in this schedule.

Director Thompson noted that the City will see increased customer service with this program and the customer will note their water consumption information immediately. He noted that a tiered rate structure may be presented to the Council in the next year.

Deputy City Manager/Director of Finance Okoro stated that this system is being paid through the Water and Sewer Funds.

Dave Henderson. Mr. Henderson inquired about the 10-year life of the meters. Ms. McMullan responded that the meters may last longer, but the warranty on the meter and the transmitter is good for ten years. He also asked if the meter pays for itself in ten years and if there would be an additional cost for changing out the meters after that period. Director Thompson stated that the City currently has a meter change-out program, which replaces 50 residential meters every month, and this program will continue.

Greg Newton. Mr. Newton asked if there is a safeguard in the system if the meter leaks on the City side. Director Thompson stated that we have the ability to recognize these leaks the same way that residential leaks will be recognized through this system.

Harvey Sullivan. Mr. Sullivan requested clarification on the one-inch water meter opt-out option. Director Thompson stated that everyone that chose not to opt out will receive a new meter and for those who chose to opt out, it will remain as is.

Mayor Azevedo asked if the City was heading towards strict water conservation policies with assigned days for watering. Director Thompson stated that because the Council had good foresight in moving away from purchasing water from Metropolitan, he does not see Norco moving towards a structured watering program.

Dave Henderson. Mr. Henderson would like to see traffic-rated lids placed on the horse trails for safety reasons.

City Manager Groves commented on the conservation measures and noted that there are State regulations that cities will need to adopt regarding conservation policies, which are tailor made for individual cities.

Harvey Sullivan. Mr. Sullivan noted that he had personal knowledge, after talking to Director Thompson, about changing to the one-inch meter and noted what a difference it made in his house and arena.

C. Realignment of Code Compliance Functions. (City Manager)

City Manager Groves stated that this is a “heads up” on how staff handles code compliance complaints. With the change in staff at the Fire Department, the revised Code Compliance Policies and Procedures Administrative Policy was drafted. A part-time Code Compliance Coordinator has been approved in the current fiscal year budget. The process will allow for the entire history of the complaint to be entered into the computer, which will be accessible to staff for monitoring purposes. This revised Policy should be active by December 1, 2009 and will provide better efficiency to the code compliance program.

Mayor Azevedo is concerned about who she should contact regarding code-complaint calls she receives. It was noted to her that she should contact the City Manager with the nature of the complaints, and those complaints would be funneled to the proper department/division.

Council Member Hanna asked about the feed stores in Norco that are selling hay without a business license and that he receives complaints from businesses regarding other non-licensed businesses. Council Member Hanna also stated that he receives complaints about Animal Control being closed over the weekend due to the fact that vicious dogs are running around town and Animal Control will not come out until Monday morning.

Deputy City Manager/Director of Finance Okoro noted that one of the problems is overtime for the Animal Control staff. He noted that Director Petree sets priorities for response and overtime.

- D. General Plan Amendment to Add a New Land Use Designation Entitled Preservation and Development; and to Change the Land Use Designations on Three Non-Contiguous Groupings of Properties. (Planning Manager)

Planning Manager King stated that the City does not have a good idea what resources are available on these properties and how significant they are to the community, but knows that the land is worth preserving. For those very reasons, the zoning needs to be changed. There is currently limited development allowed on these properties. This would put something in place, for discretionary purposes, regarding the development on these properties. Planning Manager King noted that this does not allow residential, but only commercial development. He also stated that the City Attorney has been guiding staff through this entire process. The Planning Commission continues to review the General Plan Amendment and the documents will be brought to the City Council for final approval.

Mayor Azevedo asked if the Navy needs to be in compliance with these guidelines. Planning Manager King noted that we have a good working relationship with the State and Federal Government, who own the property, but they have their own jurisdiction over land use.

Council Member Hall noted that this would be a good protection if a new owner would come into place through an excess land sale process.

City Manager Groves reported that the Wyle auction was not held as scheduled on October 27th and was postponed to December 1st. A new attorney, representing the financial holding group that now owns the land, contacted staff after receipt of the public hearing notice. City Attorney Harper reported that the new owners are not developers, but just own the land.

Harvey Sullivan. Mr. Sullivan asked why the City would include the Wyle and the Navy property at this time and believes that it would be best to leave it alone at this time.

5. THE CITY COUNCIL RECESSED TO CLOSED SESSION (SECTION 54954) TO CONSIDER MATTERS: 4:05 p.m.

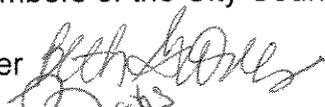
Section 54957 – Personnel Matters

Public Employee Appointment: City Manager

6. ADJOURNMENT: With nothing to report from Closed Session, Mayor Azevedo adjourned the meeting at 4:18 p.m.

**CITY OF NORCO
STAFF REPORT**

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Brenda K. Jacobs, City Clerk 

DATE: November 18, 2009

SUBJECT: **Ordinance No. 912, Second Reading.** Amending and Superseding Ordinance No. 855 to update its participation in the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program and adoption of a temporary TUMF reduction.

RECOMMENDATION: Adopt **Ordinance No. 912**

SUMMARY: The first reading of Ordinance No. 912 was held on November 4, 2009 and was unanimously adopted by the City Council. Staff is recommending that the City Council adopt Ordinance No. 912 for second reading -- Amending and Superseding Ordinance No. 855 to update its participation in the Western Riverside County Transportation Uniform Mitigation Fee (TUMF) Program and adoption of a temporary TUMF reduction.

BACKGROUND/ANALYSIS: Ordinance No. 912 provides the legal basis for a revised TUMF schedule and a one year temporary reduction in fees. The Ordinance also revises definitions of "Class A" and "Class B" Office and establishes a definition for "TUMF participating jurisdiction." The actual TUMF schedule and temporary fee schedule was established through Resolution No. 2009-81, which the City Council may amend from time to time when needed. The proposed Ordinance becomes effective on January 17, 2010.

/bj-74047

Attachments: Ordinance No. 912

ORDINANCE NO. 912

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA AMENDING AND SUPERCEDING ORDINANCE NO. 855 TO UPDATE ITS PARTICIPATION IN THE WESTERN RIVERSIDE COUNTY TRANSPORTATION UNIFORM MITIGATION FEE (TUMF) PROGRAM AND ADOPT A TEMPORARY TUMF REDUCTION

The City Council of the City of Norco does hereby ordain as follows:

SECTION 1: Norco Municipal Code Section 3.50 (Transportation Uniform Mitigation Fee) is hereby amended to read as follows:

Section 3.50.010 Title. This Ordinance shall be known as the "Western Riverside County Transportation Uniform Mitigation Fee Program Ordinance of 2009" ("Ordinance").

Section 3.50.015 Findings.

A. The City is a Member Agency of the Western Riverside Council of Governments ("WRCOG"), a joint powers agency comprised of the County of Riverside and 16 cities located in Western Riverside County. Acting in concert, the Member Agencies of WRCOG developed a plan whereby the shortfall in funds needed to enlarge the capacity of the Regional System of Highways and Arterials in Western Riverside County (the "Regional System") could be made up in part by a Transportation Uniform Mitigation Fee ("TUMF") on future residential, commercial and industrial development. A map depicting the boundaries of Western Riverside County and the Regional System is attached hereto as Exhibit "A" and incorporated herein. As a Member Agency of WRCOG and as a TUMF Participating Jurisdiction, the City participated in the preparation of a certain "Western Riverside County Transportation Uniform Mitigation Fee Nexus Study", dated October 18, 2002 ("2002 Nexus Study") prepared in compliance with the California Government Code, Section 66000 et seq., the Mitigation Fee Act, and adopted by the WRCOG Executive Committee. Based on this 2002 Nexus Study, the City adopted and implemented an ordinance authorizing its participation in a TUMF Program.

B. WRCOG, with the assistance of TUMF Participating Jurisdictions, has prepared an updated nexus study entitled "Transportation Uniform Mitigation Fee Nexus Study: 2009 Update" ("2009 Nexus Study") pursuant to California Government Code sections 66000 et seq. (the Mitigation Fee Act), for the purpose of updating the fees. On September 14 and October 5, 2009, the WRCOG Executive Committee reviewed the 2009 Nexus Study and TUMF Program and recommended TUMF Participating Jurisdictions amend their applicable TUMF ordinances to reflect changes in the TUMF network and the cost of construction in order to update the TUMF Program.

C. Consistent with its previous findings made in the adoption of Ordinance No. 855, the City Council has been informed and advised, and hereby finds, that if the capacity of the Regional System is not enlarged and unless development contributes to the cost of improving the Regional System, the result will be substantial traffic congestion in all parts of Western Riverside County, with unacceptable Levels of Service. Furthermore, the failure to mitigate growing traffic impacts on the Regional System will substantially impair the ability of public safety services (police and fire) to respond and, thus, adversely affect the public health, safety and welfare. Therefore, continuation of a TUMF Program is essential.

D. However, the City Council realizes the impact of an economic recession on development and the construction sector in Western Riverside County as indicated in the Addendum to the 2009 Nexus Study, attached and incorporated as part of the 2009 Nexus Study in Exhibit "B." The City Council finds that that a temporarily fifty percent (50%) reduction in TUMF fees through December 31, 2010 will encourage economic development by reducing the overall cost of development. The same adjustment of the entire TUMF Program will also assure that each development continues to contribute a fair share of the total Program costs without unduly burdening later projects to make up the TUMF revenues that would be effectively forfeited during the temporary reduction period. The City Council further finds that the resulting minor decrease in TUMF revenues will not have a material effect on the ability to fulfill the purposes of the TUMF Program or the ability to make the findings recited herein pursuant to the Mitigation Fee Act.

E. The City Council finds and determines that there is a reasonable and rational relationship between the use of the TUMF and the type of development projects on which the fees are imposed because the fees will be used to construct the transportation improvements that are necessary for the safety, health and welfare of the residential and non-residential users of the development in which the TUMF will be levied.

F. The City Council finds and determines that there is a reasonable and rational relationship between the need for the improvements to the Regional System and the type of development projects on which the TUMF is imposed because it will be necessary for the residential and non-residential users of such projects to have access to the Regional system. Such development will benefit from the Regional System improvements and the burden of such developments will be mitigated in part by payment of the TUMF.

G. The City Council finds and determines that the cost estimates set forth in the new 2009 Nexus Study are reasonable cost estimates for constructing the Regional System improvements and the facilities that compromise the Regional System, and that the amount of the TUMF expected to be generated by new development will not exceed the total fair share cost to such development.

H. The fees collected pursuant to this Ordinance shall be used to help pay for the design, planning, construction of and real acquisition for the Regional System improvements and its facilities as identified in the 2009 Nexus Study. The need for the improvements and facilities is related to new development because such development results in additional traffic and creates the demand for the improvements.

I. By notice duly given and published, the City Council set the time and place for a public hearing on the 2009 Nexus Study and the fees proposed thereunder, and at least ten (10) days prior to this hearing, the City Council made the 2009 Nexus Study available to the public.

J. At the time and place set for the hearing, the City Council duly considered data and information provided by the public relative to the cost of the improvements and facilities for which the fees are proposed and all other comments, whether written or oral, submitted prior to the conclusion of the hearing.

K. The City Council finds that the 2009 Nexus Study proposes a fair and equitable method for distributing a portion of the unfunded costs of improvements and facilities to the Regional system.

L. The City Council hereby adopts the 2009 Nexus Study, including its Addendum regarding temporary fee reduction, and its findings. The 2009 Nexus Study is attached and incorporated herein as Exhibit "B."

M. The City Council hereby adopts this Ordinance to amend and supersede the provisions of Ordinance No. 855.

Section 3.50.020 Definitions. For the purpose of this Ordinance, the following words, terms and phrases shall have the following meanings:

A. **"Class 'A' Office"** means an office building that is typically characterized by high quality design, use of high end building materials, state of the art technology for voice and data, on site support services/maintenance, and often includes full service ancillary uses such as, but not limited to a bank, restaurant/office coffee shop, health club, printing shop, and reserved parking. The minimum requirements of an office building classified as Class 'A' Office shall be as follows: (i) minimum of three stories (exception will be made for March JPA, where height requirements exist); (ii) minimum of 10,000 square feet per floor; (iii) steel frame construction; (iv) central, interior lobby; and (v) access to suites shall be from inside the building unless the building is located in a central business district with major foot traffic, in which case the first floor may be accessed from the street to provide entrances/ exits for commercial uses within the building.

B. **“Class ‘B’ Office”** means an office building that is typically characterized by high quality design, use of high end building materials, state of the art technology for voice and data, on site support services/maintenance, and often includes full service ancillary uses such as, but not limited to a bank, restaurant/office coffee shop, health club, printing shop, and reserved parking. The minimum requirements of an office building classified as Class ‘B’ Office shall be as follows: (i) minimum of two stories; (ii) minimum of 15,000 square feet per floor; (iii) steel frame, concrete or masonry shell construction; (iv) central, interior lobby; and (v) access to suites shall be from inside the building unless the building is located in a central business district with major foot traffic, in which case the first floor may be accessed from the street to provide entrances/exits for commercial uses within the building.

C. **“Development Project”** or **“Project”** means any project undertaken for the purposes of development, including the issuance of a permit for construction.

D. **“Gross Acreage”** means the total property area as shown on a land division of a map of record, or described through a recorded legal description of the property. This area shall be bounded by road rights of way and property lines.

E. **“Habitable Structure”** means any structure or part thereof where persons reside, congregate or work and which is legally occupied in whole or part in accordance with applicable building codes, and state and local laws.

F. **“Industrial Project”** means any development project that proposes any industrial or manufacturing use allowed in the following Ordinance No. 348 zoning classifications: I-P, M-S-C, M-M, M-H, M-R, M-R-A, A-1, A-P, A-2, A-D, W-E, or SP with one of the aforementioned zones used as the base zone.

G. **“Low Income Residential Housing”** means residential units in publicly subsidized projects constructed as housing for low-income households as such households are defined pursuant to section 50079.5 of the Health and Safety Code. “Publicly subsidized projects,” as the term is used herein, shall not include any project or project applicant receiving a tax credit provided by the State of California Franchise Tax Board.

H. **“Multi Family Residential Unit”** means a development project that has a density of greater than eight (8) residential dwelling units per gross acre.

I. **“Non-Residential Unit”** means retail commercial, service commercial and industrial development which is designed primarily for non-dwelling use, but shall include hotels and motels.

J. **“Recognized Financing District”** means a Financing District as defined in the TUMF Administrative Plan as may be amended from time to time.

K. **“Residential Dwelling Unit”** means a building or portion thereof used by one (1) family and containing but one (1) kitchen, which is designed primarily for residential occupancy including single-family and multi-family dwellings. “Residential Dwelling Unit” shall not include hotels or motels.

L. **“Retail Commercial Project”** means any development project that proposes any commercial use not defined as a service commercial project allowed in the following Ordinance No. 348 classifications: R-1, R-R, R-R-O, R-1-A, R-A, R-2, R-2-A, R-3, R-3-A, R-T, R-T-R, R-4, R-5, R-6, C-1/C-P, C-T, C-P-S, C-R, C-O, R-V-C, C-V, W-2, R-D, N-A, W-2-M, W-1, or SP with one of the aforementioned zones used as the base zone.

M. **“Service Commercial Project”** means any development project that is predominately dedicated to business activities associated with professional or administrative services, and typically consists of corporate offices, financial institutions, legal and medical offices.

N. **“Single Family Residential Unit”** means each residential dwelling unit in a development that has a density of eight (8) units to the gross acre or less.

O. **“TUMF Participating Jurisdiction”** means a jurisdiction in Western Riverside County which has adopted and implemented an ordinance authorizing participation in the TUMF Program and complies with all regulations established in the TUMF Administrative Plan, as adopted and amended from time to time by the WRCOG.

Section 3.50.020 Establishment of the Transportation Uniform Mitigation Fee.

A. **Adoption of TUMF Schedule.** The City Council shall adopt an applicable TUMF schedule through a separate resolution, which may be amended from time to time.

B. **Fee Calculation.** The fees shall be calculated according to the calculation methodology fee set forth in the Fee Calculation Handbook adopted July 14, 2003, as amended from time to time. The following shall be observed for purposes of calculating the fee:

i. For non-residential projects, the fee rate utilized shall be based upon the predominant use of the building or structure identified in the building permit and as further specified in the TUMF Administrative Plan.

ii. For non residential projects, the fee shall be calculated on the total square footage of the building or structure identified in the building permit and as further specified in the TUMF Administrative Plan.

C. **Fee Adjustment.** The fee schedule may be periodically reviewed and the amounts adjusted by the WRCOG Executive Committee. By amendment to the Ordinance, the fees may be increased or decreased to reflect the changes in actual and estimated costs of the Regional System including, but not limited to, debt service, lease payments and construction costs. The adjustment of the fees may also reflect changes in the facilities required to be constructed, in estimated revenues received pursuant to this Ordinance, as well as the availability or lack thereof of other funds with which to construct the Regional System. WRCOG shall review the TUMF Program no less than every four (4) years after the effective date of this Ordinance.

D. **Temporary Fee Reduction Period.**

i. Notwithstanding, under Section 3.50.020 of Ordinance No. 855 and the adopted TUMF schedule, the City Council may, by separate resolution, adopt a reduced TUMF fee schedule applicable only through December 31, 2010. The TUMF may be so reduced by up to fifty percent (50%) of fees established in the schedule adopted pursuant to Section 3.50.020 of this Ordinance. If fees are reduced, all other sections of Ordinance No. 855 shall still be effect during the temporary fee reduction period. After December 31, 2010, the regular TUMF schedule, as adopted by the City Council and revised from time to time pursuant to Section 3.50.020 of this Ordinance, shall automatically apply.

ii. If reduced fees are paid pursuant to this Section 4D at issuance of a building permit and either the application or the building permit expires, subsequent building permit application on the same parcel shall be subject to the full TUMF amount, unless the temporary fee reduction period is still in effect at the time the subsequent application is made.

E. **Purpose.** The purpose of the TUMF is to fund those certain improvements to the Regional System as depicted in Exhibit "A" and identified in the 2009 Nexus Study, Exhibit "B."

F. **Applicability.** The TUMF shall apply to all new development within the City, unless otherwise exempt hereunder.

G. **Exemptions.** The following new development shall be exempt from the TUMF:

i. Low income residential housing.

ii. Government/public buildings, public schools and public facilities.

iii. The rehabilitation and/or reconstruction of any habitable structure in use on or after January 1, 2000, provided that the same or fewer traffic trips are generated as a result thereof.

iv. Development Projects which are the subject of a Public Facilities Development Agreement entered into pursuant to Government Code section 65864 *et seq*, prior to the effective date of this Ordinance, wherein the imposition of new fees are expressly prohibited provided that if the term of such a Development Agreement is extended by amendment or by any other manner after the effective date of this Ordinance, the TUMF shall be imposed.

v. Guest Dwellings.

vi. Additional single family residential units located on the same parcel pursuant to the provisions of any agricultural zoning classifications set forth in the Municipal Code.

vii. Kennels and Catteries established in connection with an existing single family residential unit.

viii. Detached Second Units.

ix. The sanctuary building of a church or other house of worship, eligible for a property tax exemption.

x. Any nonprofit corporation or nonprofit organization offering and conducting full-time day school at the elementary, middle school or high school level for students between the ages of five and eighteen years.

H. **Credit.** Regional System improvements may be credited toward the TUMF in accordance with the TUMF Administrative Plan and the following:

Regional Tier

i. **Arterial Credits:** If a developer constructs arterial improvements identified on the Regional System, the developer shall receive credit for all costs associated with the arterial component based on approved Nexus Study, including Addendum 1, for the Regional System effective at the time the credit agreement is entered into. WRCOG staff must pre-approve any credit agreements that deviate from the standard WRCOG approved format.

ii. **Other Credits:** In special circumstances, when a developer constructs off-site improvements such as an interchange, bridge, or railroad grade separation, credits shall be determined by WRCOG and the City in consultation with the developer. All such credits must have prior written approval from WRCOG.

iii. The amount of the development fee credit shall not exceed the maximum amount determined by the Nexus Study, including Addendum 1, for the Regional System at the time the credit agreement is entered into or actual costs, whichever is less.

Local Tier

i. The local jurisdictions shall compare facilities in local fee programs against the Regional System and eliminate any overlap in its local fee program except where there is a Recognized Financing District has been established.

ii. If there is a Recognized Financing District established, the local agency may credit that portion of the facility identified in both programs against the TUMF in accordance with the TUMF Administrative Plan.

Section 3.50.040 Reimbursements. Should the developer construct Regional System improvements in excess of the TUMF fee obligation, the developer may be reimbursed based on actual costs or the approved Nexus Study, including Addendum 1, effective at the time the agreement was entered into, whichever is less. Reimbursements shall be enacted through an agreement between the developer and the City, contingent on funds being available and approved by WRCOG. In all cases, however, reimbursements under such special agreements must coincide with construction of the transportation improvements as scheduled in the five-year Capital Improvements Program adopted annually by WRCOG.

Section 3.50.050 Procedures for the Levy, Collection and Disposition of Fees.

A. **Authority of the Building Department.** The Director of Building & Safety, or his/her designee, is hereby authorized to levy and collect the TUMF and make all determinations required by this Ordinance.

B. **Payment.** Payment of the fees shall be as follows:

i. The fees shall be paid at the time a certificate of occupancy is issued for the Development Project or upon final inspection, whichever comes first (the "Payment Date"). However this section should not be construed to prevent payment of the fees prior to issuance of an occupancy permit or final inspection. Fees may be paid at the issuance of a building permit, and the fee payment shall be calculated based on the fee in effect at that time, provided the developer tenders the full amount of his/her TUMF obligation. If the developer makes only a partial payment prior to the Payment Date, the amount of the fee due shall be based on the TUMF fee schedule in place on the Payment Date. The fees shall be calculated according to fee schedule set forth in the Ordinance and the calculation methodology set forth in the Fee Calculation Handbook adopted July 14, 2003, as amended from time to time.

ii. The fees required to be paid shall be the fee amounts in effect at the time of payment is due under this Ordinance, not the date the Ordinance is initially adopted. The City shall not enter into a development agreement which freezes future adjustments of the TUMF.

iii. If all or part of any development project is sold prior to payment of the fee, the property shall continue to be subject to the requirement for payment of the fee. The obligation to pay the fee shall run with the land and be binding on all the successors in interest to the property.

iv. Fees shall not be waived.

C. **Disposition of Fees.** All fees collected hereunder shall be transmitted to the Executive Director of WRCOG within thirty (30) days for deposit, investment, accounting and expenditure in accordance with the provisions of this Ordinance and the Mitigation Fee Act.

D. **Appeals.** Appeals shall be filed with WRCOG in accordance with the provisions of the TUMF Administrative Plan. Appealable issues shall be the application of the fee, application of credits, application of reimbursement, application of the legal action stay and application of exemption.

E. **Reports to WRCOG.** The Director of Building and Safety, or his/her designee, shall prepare and deliver to the Executive Director of WRCOG, periodic reports as will be established under Section 3.50.050 of this Ordinance.

Section 3.50.060 Appointment of the TUMF Administrator.

WRCOG is hereby appointed as the Administrator of the Transportation Uniform Mitigation Fee Program. WRCOG is hereby authorized to receive all fees generated from the TUMF within the City, and to invest, account for and expend such fees in accordance with the provisions of this Ordinance and the Mitigation Fee Act. The detailed administrative procedures concerning the implementation of this Ordinance shall be contained in the TUMF Administrative Plan adopted May 5, 2003, and as may be amended from time to time. Furthermore, the TUMF Administrator shall use the Fee Calculation Handbook adopted July 14, 2003, as amended from time to time, for the purpose of calculating a developer's TUMF obligation. In addition to detailing the methodology for calculating all TUMF obligations of different categories of new development, the purpose of the Fee Calculation Handbook is to clarify for the TUMF Administrator, where necessary, the definition and calculation methodology for uses not clearly defined in the respective TUMF ordinances.

WRCOG shall expend only that amount of the funds generated from the TUMF for staff support, audit, administrative expenses, and contract services that are

necessary and reasonable to carry out its responsibilities and in no case shall the funds expended for salaries and benefits exceed one percent (1%) of the revenue raised by the TUMF Program. The TUMF Administrative Plan further outlines the fiscal responsibilities and limitations of the Administrator.

Section 3.50.070 Severability. If any one or more of the terms, provisions or sections of this Ordinance shall to any extent be judged invalid, unenforceable and/or voidable for any reason whatsoever by a court of competent jurisdiction, then each and all of the remaining terms, provisions and sections of this Ordinance shall not be affected thereby and shall be valid and enforceable.

Section 3.50.080 Judicial Review. In accordance with State law, any judicial action or proceeding to attack, review, set aside, void or annul this Ordinance shall be commenced within ninety (90) days of the date of adoption of this Ordinance.

Section 3.50.090 Ordinance 855. This Ordinance supersedes the provisions of Ordinance 855, provided this Ordinance is not declared invalid or unenforceable by a court of competent jurisdiction. If, for whatever reason, this Ordinance is declared invalid or unenforceable by a court of competent jurisdiction, Ordinance 855 and all other related ordinances, resolution, and polices shall remain in full force and effect.

SECTION 2: EFFECTIVE DATE: This Ordinance shall become effective sixty (60) days after its adoption.

SECTION 3: POSTING: The mayor shall sign this Ordinance and the City Clerk shall attest thereto and shall cause the same within fifteen (15) days of its passage to be posted at no less than five (5) public places within the City of Norco.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on November 18, 2009.

Mayor of the City of Norco

ATTEST:

Brenda K. Jacobs
City Clerk of the City of Norco

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Norco, California, duly held on November 4, 2009 and thereafter at a regular meeting of said City Council duly held on November 18, 2009, it was duly passed and adopted by the following vote of the City Council, to-wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on November 18, 2009.

Brenda K. Jacobs
City Clerk of the City of Norco, California

/bj-73901

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: 
Olivia Hoyt, Accounting Manager

DATE: November 18, 2009

SUBJECT: Approval of the Annual Reports for Community Facilities Districts 2001-1 and 2002-1 for the Fiscal Year Ended June 30, 2009

RECOMMENDATION: Staff recommends that the City Council receive and file the Annual Reports for Community Facilities Districts 2001-1 and 2002-1 for the Fiscal Year Ended June 30, 2009.

SUMMARY: Staff is recommending that the City Council receive and file the City's annual reports for Community Facilities Districts 2001-1 and 2002-1 for fiscal year ended June 30, 2009. This report meets the requirements of the Government Code.

BACKGROUND/ ANALYSIS: Government Code Section 50075.3 requires the chief fiscal officer of a levying local agency to file a report with its governing body at least once a year on Community Facilities Districts formed on or after January 1, 2001. The report is to contain information on the amount of funds collected and expended as well as information on the status of any project required or authorized to be funded by the Community Facilities Districts (CFD).

CFD 2001-1 (Norco Ridge Ranch) was approved by the Council on February 2, 2001 and by the qualified electors, being the land owners, within the boundaries of the District on April 18, 2001. The completed public improvements financed through the District included the reconstruction of sanitary facilities; construction of domestic and reclaimed water transmission and storage facilities; storm drain facilities, including storm drains, channels, detention, retention and/or cache basins; street improvements including curb, gutters, striping, lighting, signalization, signage; public walls and barriers; dry utilities; Ingalls Park, horse arena improvements; and public park, recreation and/or open space facilities. These improvements are complete, and have been accepted for maintenance by the City. Attachment 1 provides a summary of fiscal year 2008/2009 revenues and expenditures from this district.

CFD 2002-1 (KB Norco 50) was approved by the Council on March 20, 2002 and by the qualified electors on November 6, 2002. The proceeds of the CFD Bonds were used for public improvements consisting of sewer, water, storm drain and street improvements.

Annual Reports, CFD 2001-1, 2002-1 FY08

Page 2

November 18, 2009

The improvements included curbs, gutters, asphalt pavement, equestrian trail, parkway trees and irrigation. All improvements were accepted by the City for maintenance on September 21, 2005. Attachment 2 provides a summary of fiscal year 2008/2009 revenues and expenditures for this district.

FINANCIAL INPACT: None. This is for information only.

/jk-74016

Attachments: 1) Financial Report for CFD 2001-1

2) Financial Report for CFD 2002-1

Statement of Sources and Uses of Funds
Community Facilities District 2001-1
(Norco Ridge Ranch)
Fiscal Year Ending June 30, 2009

Beginning Fund Balance		\$ 1,575,831
Revenues:		
CFD 2001-1 Assessments	2,650,969	
Interest Income	<u>115,476</u>	
Total Revenues		2,766,445
Expenditures:		
Debt Service	2,065,544	
Miscellaneous	<u>88,350</u>	
Total Expenditures		<u>2,153,894</u>
Ending Fund Balance		<u><u>\$ 2,188,382</u></u>

City of Norco
 Statement of Sources and Uses of Funds
 Community Facilities District 2002-1
 (KB Norco 50)
 Fiscal Year Ending June 30, 2009

Beginning Fund Balance		\$ 438,112
Revenues:		
CFD 2002-1 Assessments	214,900	
Interest Income	<u>5,789</u>	
Total Revenues		220,689
Expenditures:		
Debt Service	254,699	
Miscellaneous	<u>13,059</u>	
Total Expenditures		<u>267,758</u>
Ending Fund Balance		<u><u>\$ 391,043</u></u>

CITY OF NORCO STAFF REPORT

TO: Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Deborah L. DeGrado, Housing Manager 

DATE: November 18, 2009

SUBJECT: Acceptance of Bids and Award of Contract for Norco Senior Center Exterior Renovation Project

RECOMMENDATION: Accept the bids and award the contract for the Senior Center Exterior Renovation Project to Korston Construction, Inc. in the amount of \$138,000 and authorize the City Manager to approve contract change orders up to 10 percent of the contract amount

SUMMARY; The Norco Senior Center Exterior Renovation Project was approved by the Norco City Council on July 2, 2008 for use of a portion of the City's Community Development Block Grant (CDBG) Funds. Staff is requesting approval of an Award of Contract to Korston Construction, Inc. in the amount of \$138,000.

BACKGROUND/ANALYSIS: As part of program year 2008-09, the City Council approved a project using CDBG funds to complete badly-needed exterior repairs to the Norco Senior Center, and to also refurbish and update the exterior façade on the building. An advertised Notice Inviting Bids was published on September 23, 2009. A total of 20 contractors pulled plans and 22 contractors/sub-contractors were present at the pre-construction meeting.

One November 4, 2009 staff opened sealed bids for the Senior Center Exterior Renovation Project. Nine general contractors submitted bids (see Exhibit "A" attached). Korston Construction, Inc. of Brea, California was found to be the low bidder. Staff has completed reference checks of the contractor for previous similar projects and has found satisfactory performance and compliance.

Staff is requesting that Council Members approve an Award of Contract to Korston Construction, Inc. in the amount of \$138,000.

FINANCIAL IMPACT: This project was approved as part of the City's CDBG Program for 2009-09, and is funded exclusively with CDBG program funds.

/dg – 74038
Attachments:

Breakdown of Bids
Construction Agreement

Senior Center Renovation

11:00 a.m.

Name of Business	Amount
SPEC Construction Co. Inc. 408 W. 2 Nd Street, Suite 100 San Dimas, CA 91773	\$ 164,501.00
Cornerstone General P.O. BOX 1276 Whittier, CA 90609	\$ 261,336.00
Seashore Construction 1930 Old Tustin Rd. Santa Ana, CA	\$ 221,355.00
New Millennium 324 S Diamond Bar Blvd. #230 Diamond Bar, CA 91725	\$ 263,000.00
Korston Construction, Inc. 270 Arbor Circle Brea, CA 92821	\$ 138,000.00
Broughton Construction Inc. 10722 Arrow Route, Suite 810 Rancho Cucamonga, CA 91730	\$ 253,448.00
DBA CA Construction 981 Iowa Ave. Suite A Riverside, CA 92507	\$ 153,000.00
Malcolm Civils Inc. 3200 El Camino Real Suite 150 Irvine, CA 92602	\$ 203,000.00
Sepulveda Comm. 2048 Second St. Norco, CA 92860	\$ 193,206.00

AGREEMENT

This Agreement, entered into this ____ day of November, 2009 by and between **KORSTON CONSTRUCTION, INC.**, hereinafter called the "Contractor" and the **CITY OF NORCO, CALIFORNIA**, hereinafter called the "City,"

WITNESSETH:

That the parties hereto have mutually convened and agreed as follows:

CONTRACT

The complete Contract includes all of the Contract Documents, to wit: the Invitation to Bid, the Instructions to Bidders, the Contractor's Proposal, the Bid Bond, the Payment and Performance Bonds, the General Conditions, the Design Build Drawings and Specifications, plus any Addenda thereto and this Agreement. All Contract Documents are intended to cooperate and be complementary so any work called for in one and not mentioned in the other, or vice versa, is to be executed the same as if mentioned in all items of the Contract Documents.

STATEMENT OF WORK:

The Contractor hereby agrees to furnish all tools, equipment, services, apparatus, facilities, transportation, labor and materials for demolition of blighted structures in preparation of the renovation of the Norco Senior Center, as identified in the bid documents in strict accordance with the Drawings & Specifications dated October 6, 2009.

FUNDING:

Contractor and City do hereby acknowledge that this Contract will be partially or fully funded with Community Development Block Grant (CDBG) funds [24 CFR 570] and is therefore subject to applicable Federal procurement, labor, environmental, equal opportunity, and other regulations.

Contractor shall maintain and keep books and records on a current basis, recording all transactions pertaining to this agreement in a form in accordance with generally acceptable accounting principles. Said books and records shall be made available to the County, the State of California, the Federal government, and to any authorized representative thereof for the purposes of audit at all reasonable times and places. All such books and records shall be retained for such periods of time as required by law, provided, however, notwithstanding any shorter periods of retention, all books, records, and supporting detail shall be retained for a period of at least four (4) years after the expiration of the term of this Agreement.

Contractor shall comply with the Davis-Bacon Fair Labor Standards Act (40 USC a-276, a-5) and the implementation regulations thereof. Contractor shall comply with the U.S. Department of Housing and Urban Development's Federal Labor Standards Provisions (HUD 4010).

TIME FOR COMPLETION:

The work shall be commenced on a date to be specified in a written order from the City and shall be completed within One Hundred Eighty (180) calendar days after Notice to Proceed is issued by the City of Norco.

It is expressly agreed that except for extensions of time duly granted in the manner and for the reasons specified in the General Conditions for bidders, the project will be completed within the stated time; or liquidated damages will be assessed at \$200 (Two Hundred dollars) per calendar day, until the job is completed to the satisfaction of the CITY.

COMPENSATION TO BE PAID TO CONTRACTOR:

The City/City agrees to pay and the Contractor agrees to accept in full consideration for the performance of

the Contract, subject to additions and deductions as provided in the General Conditions, the sum of:

ONE HUNDRED THIRTY-EIGHT THOUSAND AND 00/100 DOLLARS (\$ 138,000).

The sum is to be paid according to the schedule as provided in the General Conditions.

Pursuant to Labor Code Section 1861, the Contractor gives the following certifications: "I am aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workmen's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Contract".

The applicable Wage Determination for said project is the one published 10-days prior to bid opening. I further understand the installation of this project is partially funded by Community Development Block Grant (CDBG) funds and the Davis-Bacon Federal wage decision must prevail. Any sub-tier contract(s) resulting from this contract must contain the same contractual language as the original contract.

IN WITNESS WHEREOF, the parties hereto on the day and year first written above have executed this agreement in 10 (ten)-day counterparts.

Type of Contractor's organization: _____

If other than individual or corporation, list names of all members who have authority to bind firm.

IF OTHER THAN CORPORATION EXECUTE HERE

ATTEST:

Firm Name: _____
Signature: _____
Address: _____
Contractor's License Number: _____

IF CORPORATION, FILL OUT FOLLOWING AND EXECUTE

Name of President of Corporation: Peter Jun
Name of Secretary of Corporation: _____
Corporation is organized under the laws of state of: _____
Firm Name: KORSTON CONSTRUCTION, INC.
Signature: _____
Officer Title President
Address: 2070 Arbor Circle, Brea, CA 92821
Contractor's License Number: 883920



ATTEST: CITY OF NORCO, CALIFORNIA (CITY)

City Clerk, City of Norco

By _____
Mayor, City of Norco

Date

Date

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Andy Okoro, Deputy City Manager/Director of Finance 

DATE: November 18, 2009

SUBJECT: Approval of the Third Amendment to the Library Lease

RECOMMENDATION: That the City Council approves the third amendment to the lease between the City of Norco and County of Riverside for the Library Building.

SUMMARY: Staff recommends that the City Council approve the third amendment to the lease agreement between the City of Norco and County of Riverside for the lease of City property located at 3954 Old Hamner Road, Norco, California.

BACKGROUND/ANALYSIS: In 1993, the City of Norco entered into a lease agreement with the City of Riverside for the lease of City property located at 3954 Old Hamner Road, Norco, California for use as a branch library. In 1996, the City Council approved the assignment of the lease agreement to the County of Riverside. Since the assignment of the lease to the County of Riverside, the agreement has been extended by the City of Norco two times. The most recent extension of the lease agreement was in 2006 for 3 years. This extension expired on June 30, 2009. The County now desires a 5 year extension commencing on July 1, 2009 and ending on June 30, 2014.

The current monthly rent paid by the County of Riverside on the leased property is \$2700.80. The proposed extension provides for no rent adjustment for the first two years. Beginning with the third year, the rent will be increased by 2% annually for the remaining lease term through June 30, 2014. The community benefits by having this branch library in the City. Staff recommends that the City Council approve the proposed lease extension.

FISCAL IMPACT: The library lease will provide \$165,988 in revenues to the General Fund over the term of this recommended lease extension.

/ao-74055

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Andy Okoro, Deputy City Manager/Director of Finance 

DATE: November 18, 2009

SUBJECT: Approval of Agreement for Temporary Part-Time Employment of Fire Chief

RECOMMENDATION: Staff recommends that the City Council approve the Agreement for Temporary Part-Time Employment of Fire Chief

SUMMARY: To ensure uninterrupted administrative supervision and management of the Fire Department, the City Manager is requesting City Council to ratify her appointment of Dave Carlson as a temporary part-time Fire Chief and approve a contract with him not to exceed one year.

BACKGROUND/ANALYSIS: Fire Chief Jack Frye retired from full-time City employment effective September 18, 2009 and has continued to work on a part-time temporary status. Staff has evaluated options to replace the retired Fire Chief and has determined that it is in the best interest of the department and City to appoint a temporary part-time person to serve as the Fire Chief. After interviewing two qualified candidates who expressed interest for the position, staff is recommending that Dave Carlson be appointed to serve as a part-time temporary Fire Chief subject to the terms and conditions outlined in the attached "Agreement for Temporary Part-time Employment of Fire Chief." Mr. Carlson has agreed to serve in the capacity of Fire Chief for the City of Norco effective November 30, 2009.

Mr. Carlson has extensive experience in the fire service. During his long outstanding career, he served as Fire Chief for the Cities of Norco and Riverside. Mr. Carlson obtained his Masters Degree in Public Administration from the University of La Verne and his bachelors' degree in Public Service Management from the University of Redlands.

Pursuant to Section 21220 (h) of the California Public Employees' Retirement Law, Dave Carlson, a retiree of CalPERS can serve as part-time temporary Fire Chief without jeopardizing his retirement. This appointment will be of limited duration and the Fire

Agreement for Temporary Fire Chief
Page 2
November 18, 2009

Chief's position requires specialized skills and is necessary to prevent the stoppage of public business.

FISCAL IMPACT: The Fire Chief's compensation for the remainder of Fiscal Year 2009-10 will not exceed \$45,000 and will be covered by the amount included in the 2009-10 adopted operating budget.

/ao-74089

Attachment: Agreement

AGREEMENT FOR TEMPORARY PART-TIME EMPLOYMENT OF FIRE CHIEF

THIS AGREEMENT is made and entered into this 7th day of December 2009 by and between the CITY OF NORCO, California, a municipal corporation ("City"), and Dave Carlson, an individual ("Chief").

The City Manager of City desires to contractually retain Chief to function as a temporary part time Fire Chief for the City of Norco. The City desires to fix and determine the scope, nature and extent of Chief's duties and the compensation for those duties.

NOW THEREFORE, it is hereby mutually agreed by and between the parties as follows:

1. **TERM OF AGREEMENT:** The effective date of this Agreement shall be November 30, 2009 and shall continue for a period of time not exceeding one (1) year, unless sooner terminated pursuant to Paragraph 6 hereof ("Termination"). The term of this Agreement may be extended at City's option provided the Chief shall not work more than 960 hours in a fiscal year.
2. **SERVICES:** Under the direction of the City Manager, Chief shall perform the duties and functions required by the position of Fire Chief and such other and further duties as required by the City Manager or state law. Such duties include, but are not limited to those described in the Scope of Services, a copy of which is attached hereto as Exhibit "A," and made a part hereof.
3. **EMPLOYMENT SCHEDULE:** Chief will normally work no more than 5 hours a day or no more than 20 hours a week. The number of hours worked each day may be adjusted by the Chief with the approval of the City Manager to accommodate emergency situations that may arise.
4. **COMPENSATION:** Chief will be paid \$70.00 for each hour he actually provides services as described above to City. Chief shall not receive any benefits, leave, holidays, retirement, health, disability, insurance or other emoluments whatsoever, not expressly provided in this Agreement. City shall make appropriate tax deductions and/or withholdings from the aforementioned compensation. City shall provide Chief with a City vehicle including fuel and maintenance, and a cellular telephone for business use in pursuing the fulfillment of the conditions of this Agreement. The Chief's use of City vehicle shall comply with all provisions outlined in the City's Administrative Policy Statement No. 602 (Use of City Vehicles) and the assigned vehicle shall be clearly marked with City of Norco logos and insignia.

5. **PROFESSIONAL MEMBERSHIPS AND MEETINGS:** It is understood and agreed that the City benefits from the Chief's participation in various professional activities relating to fire officers and fire chief affairs. Therefore, Chief shall maintain active participation in such professional organizations as may be approved by the City Manager. Upon prior approval of the City Manager, and in accordance with existing budget guidelines, Chief may incur and be reimbursed for, reasonable costs and expenses in conjunction with these activities.
6. **TERMINATION:** Chief acknowledges, understands, agrees and warrants that he is a temporary part-time employee of City, that he serves at the pleasure of the City's City Manager, and has no vested right whatsoever in continuation of his business relationship with the City or in the compensation which may be provided pursuant to this Agreement, beyond the date of termination of this Agreement. City shall have the right to terminate this Agreement without cause at any time without prior written notice.
7. **OUTSIDE BUSINESS ACTIVITIES:** The City is aware that Dave Carlson dba Dave Carlson Professional Services may have other confidential contractual agreements. The City, with the City Manager's knowledge will allow him to complete these agreements on his own time as long as those agreements do not interfere with his duties and responsibilities as defined in this Agreement.
8. **CONFLICT OF INTEREST:** Chief covenants that he presently has no interest and shall not acquire any interest, direct or indirect, which would conflict or appear as a conflict in any manner or degree with the performance of services required to be performed under this Agreement. In the event that an activity of Chief may be construed to constitute a conflict of interest with his responsibilities hereunder, Chief shall obtain permission for such activity from the City Manager before proceeding further with such activity. In the event a conflict of interest is alleged, the City Manager shall finally and conclusively determine if a conflict of interest in fact exists, or can be foreseen. In such cases, where a conflict of interest is deemed to occur or is determined to occur, the City Manager, in her absolute discretion, may terminate this Agreement in accordance with Paragraph 6 above ("Termination").
9. **INDEMNIFICATION:** City shall defend, hold harmless and indemnify Chief against any tort, professional liability claim or demand or any other legal action, whether groundless or otherwise arising out of any alleged act or omission of Chief occurring in the course and scope of performance of Chief's functions and duties undertaken pursuant to this Agreement to the same extent as City would be required by law to do for any Fire Chief employed by the City. City may compromise and settle any such claim or suit, and pay the amount of all settlements or judgments rendered against Chief and/or City thereon, and select defense counsel, in the absolute discretion of City.
10. **JURISDICTION:** The formation, construction and performance of this Agreement shall be construed in accordance with the laws of the State of California.

11. INTEGRATION: This Agreement constitutes the sole and complete Agreement between the parties. This Agreement supersedes any and all written and oral agreements between the parties and any ordinance, rule, regulation, policy, or procedure of the City that is inconsistent with the Agreement. No amendments may be made to this Agreement except in writing and signed by the parties hereto.

12. SEVERABILITY: If any provision of this Agreement is held invalid or unenforceable, the remainder shall remain in full force and effect.

13. NOTICES:

- a. CITY: City Manager
2870 Clark Avenue
Norco, CA 92860
- b. CARLSON: Dave Carlson
2737 Shadow Canyon Circle
Norco, CA 92860

Alternatively, notices required pursuant to this Agreement may be personally served in the same manner as applicable to civil judicial process. Notice shall be deemed given as of the date of personal service, or if by mail, pursuant to the provisions of the California Code of Civil Procedure, Section 1013. The address for service of any party hereto may be changed at any time by giving written notice to the other party.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first written above.

CITY OF NORCO, a Municipal Corporation

CHIEF

By: _____
Beth Groves
City Manager

Dave Carlson

Attest: _____
Brenda K. Jacobs
City Clerk

Approved as to Form:

John Harper, Harper and Burns
City Attorney

EXHIBIT A

PART-TIME TEMPORARY FIRE CHIEF SCOPE OF SERVICES

Directs Fire Department operations, personnel, budget, facilities and equipment; assigns, reviews and monitors work of subordinate staff; develops and enforces department goals and objectives; establishes and manages department budget; represents Fire Department to state, county and community organizations. Administers the Norco Animal Rescue Team (NART) and serves as a resource for code enforcement.

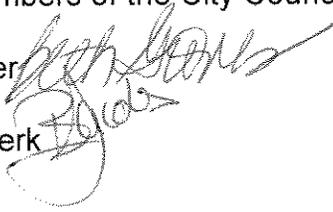
Approves hiring and promotion of personnel; establishes work performance and evaluation practices and procedures; oversees and assists with community events; works with community leaders to develop emergency preparedness plans and guidelines; reviews and inspects plans and conducts construction inspections for compliance with health and public safety requirements.

Manages, oversees and provides direction to Fire Department staff members engaged in fire prevention and administrative support activities.

Develops contracts and agreements with other agencies; provides updates to the City Manager on assigned projects and programs; represents City Manager's office to research, evaluate, respond to and resolve inquires and complaints from other departments, agencies or citizens; performs other related duties as assigned. Responds to emergency calls to ensure compliance with health and safety regulations

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Brenda K. Jacobs, City Clerk 

DATE: November 18, 2009

SUBJECT: Proposed Cancellation of January 6, 2010 City Council Meeting

RECOMMENDATION: Cancel the January 6, 2010 City Council meeting.

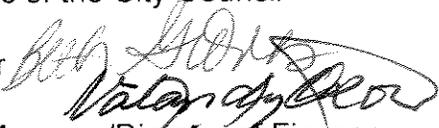
SUMMARY: It is being proposed to the City Council Members that the first City Council meeting in January of 2010 be cancelled due to seasonal activities. A similar action has been taken by the Council in previous years, which provides the Council and staff additional preparation time for the second meeting in January.

BACKGROUND/ANALYSIS: The City Council has two regular meetings scheduled in January of 2010 (January 6 and January 20), with a proposed study session scheduled for January 27. Staffing levels are much lower during the latter part of December, due to holiday-related vacations and activities, which in turn lessens the number of items scheduled for the City Council agenda on that first meeting in January. Therefore, it is recommended that the January 6, 2010 meeting be cancelled.

/bj-74048

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor, Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Andy Okoro, Deputy City Manager/Director of Finance 

DATE: November 18, 2009

SUBJECT: Award of Contract for Procurement of Smart Meters and Implementation of Advance Metering Infrastructure System

RECOMMENDATION: Approve award of contract to Aqua Metric Sales Company for procurement of smart meters and implementation of Advanced Metering Infrastructure System.

SUMMARY: The City desires to replace its existing water meters with an automated water meter reading solution. The preferred solution will improve the timeliness and accuracy of water billing; enhance revenue collection; improve customer service; reduce staff time on routine functions; and improve water management/conservation efforts. After extensive evaluation of available technologies and vendor selection, staff is recommending that Aqua Metric Sales Company be awarded a contract for the supply of smart water meters and the implementation of a Fixed Network Advanced Metering Infrastructure (AMI).

BACKGROUND: The Norco Water System is operated as an enterprise fund of the City of Norco. The System currently serves over 7,000 customers and delivers over 3 billion gallons of water annually. For the fiscal year ended June 30, 2009, the Water Fund generated \$7.0 million from water sales and Sewer Fund service revenues were \$3.7 million. One of the most critical components of the Water System Infrastructure is water meter systems. Water meters are used to collect consumption data for each customer and are critical in the accuracy and timeliness of water and sewer billing.

Currently, monthly reading of over 7,500 meters is assigned to two maintenance workers in the Public Works Department. While this is their primary function, these employees also perform other duties such as replacing dead meters and trouble shooting. The manual process of visiting each meter monthly to obtain a read is not only labor intensive but can also lead to inaccurate and/or unread meters. Additionally, as some of the meters age, the failure rate has increased, resulting in more labor to change out meters or perform re-read of meters. Inaccurate and incomplete meter readings also increase the potential for revenue loss to the Water and Sewer Funds. To address these problems, Council approved a professional services agreement with Triton Water Technologies in December 2008 to assist the City in identifying the most effective technology that would automate the City's meter reading process, improve

revenue management, enhance customer service and water conservation efforts. The action by the City Council followed a similar action by the Streets and Trails Commission which voted 9-0 on October 6, 2008 in support of implementing an automated meter reading system.

SELECTION PROCESS: Working with staff from Finance and Public Works, Triton Water Technologies (project manager) reviewed several technology options available in the market place to meet the City's needs. After reviewing options available, staff and the Project Manger determined that a fixed network AMI would better meet the City's needs. System technical and functional requirements were identified and Request for Proposals (RFP) for AMI was developed. The RFP was published and distributed to several companies with the potential for meeting City's technical and functional requirements. A non-mandatory pre-proposal meeting was held on May 26, 2009 to answer questions and clarify issues related to the RFP. Seven proposals were received in response to the City's RFP prior to the City's deadline for submission. After preliminary evaluation, three of the proposals were disqualified for not meeting the minimum technical and functional requirements.

The remaining four proposals were further evaluated based on the following criteria:

EVALUATION CRITERIA	Weighted Value	HD SUPPLY	BADGER METER INC.	AQUA METRIC	MOUNTAIN STATE PIPE & SUPPLY
Technical Requirements	20	20	13	19	18
Customer Service	5	x	5	5	5
References	40	x	x	40	39
Cost of Total Program	30	12	30	26	24
Exceptions to Agreement	5	x	x	5	5
Total Score	100	32	48	95	91

The vendors meeting minimum requirements (as listed above) were invited for an oral interview and presentation to the Evaluation Committee consisting of the Deputy City Manager/Director of Finance, Public Works Director, Public Works Supervisor, Senior Engineer, Information Technology Manager and the Project Manager. Following the presentation to the Evaluation Committee, HD Supply and Badger Meter Inc. were eliminated from further consideration either because they could not demonstrate ability to provide the guarantees desired by the City or did not sufficient installed base beyond pilot programs. Of the remaining two vendors, Aqua Metric achieved a higher overall

score over Mountain State Pipe and Supply. Aqua Metric was invited to negotiate final price and terms with the City. Negotiations resulted in further price reductions and guarantees that allow the City to begin progress payments only after network deployment and automated meter reading has been tested and successfully achieved.

The summary of scope of work to be performed by Aqua Metric is as follows:

- Procurement of over 7,500 smart meters
- Procurement and installation of data collection technologies including Tower Gateway Basestation (TGB), Regional Network Interface (RNI), Servers, Operating System, Software and Reporting Tools.
- Testing and integration of AMI System technologies

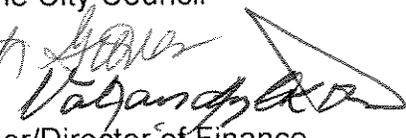
FISCAL IMPACT: The total estimated cost for the AMI systems implementation is \$3.0 million excluding any cost that may be incurred for changes to water lines as necessary to install the right size meter for a particular service address. The entire cost of the project will be funded with Water and Sewer Funds bond proceeds. The current five-year capital improvement program budget includes \$1.5 million as a place holder for the project. Additional funds will be requested as part of the mid year budget amendments. The cost to be incurred on the scope of work to be performed by Aqua Metric consists of fixed and variable cost components. The total cost for smart meters will be based on the number of units and sizes actually purchased by the City while the cost for infrastructure technology deployment is fixed. Based on the estimated number of meters to be purchased by size, fixed cost for technology deployment and 10% contingency, the total cost of contract with Aqua Metric should not exceed \$2.02 million.

/ao- 74117

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor, Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Andy Okoro, Deputy City Manager/Director of Finance 

DATE: November 18, 2009

SUBJECT: Approval of Award of Contract for Project Management of the Implementation of Advanced Meter Reading Infrastructure

RECOMMENDATION: Approve award of professional services contract to Triton Water Technologies for project management of automated water meter reading solutions.

SUMMARY: The City desires to replace its existing water meters with an automated water meter reading solutions. This solution will improve the timeliness and accuracy of water billing; enhance revenue collection; improve customer service; reduce staff time on routine functions; and improve water management/conservation efforts. Triton Water Technologies has experience assisting municipalities with Automated Metering Infrastructure (AMI) System Development and Implementation. In December 2008, City Council awarded professional services contract to Triton Water Services for assistance with phase one of the AMI implementation process. Phase two of the project is ready to begin and Triton Water Technologies will serve as the Project Manager.

BACKGROUND: The Norco Water System is operated as an enterprise fund of the City of Norco. The System currently serves over 7,000 customers and delivers over 3 billion gallons of water annually. For the fiscal year ended June 30, 2009, the Water Fund generated \$7.0 million from water sales and Sewer Fund service revenues were \$3.7 million. One of the most critical components of the Water System Infrastructure is the water meter system. Water meters are used to collect consumption data for each customer and are critical in the accuracy and timeliness of water and sewer billing.

Currently, monthly reading of nearly 7,400 meters is assigned to two maintenance workers in the Public Works Department. While this is their primary function, these employees also perform other duties such as replacing dead meters and trouble shooting. The manual process of visiting each meter monthly to obtain a read is not only labor intensive but can also lead to inaccurate and/or unread meters. Additionally, as some of the meters age, the failure rate has increased, resulting in more labor to change out meters or perform re-read of meters. Inaccurate and incomplete meter readings also increase the potential for revenue loss to the water fund. To address

these problems, staff is proposing the implementation of AMI System. This System will provide the following advantages over the current manual read meter infrastructure:

- Full revenue realization
- Minimum staff time on routine functions
- Expanded customer service
- Improved water management capability

On October 6, 2008, the Streets, Trails and Utilities Commission voted 9 to 0 in support of implementing an automated meter reading system. On December 17, 2008, the City Council awarded professional services contract to Triton Water Technologies for assistance with phase one of the implementation of AMI System. Phase one consisted defining system technical and functional requirements; evaluation and selection of AMI provider; specification for smart meters; evaluation and selection of smart meter installation vendor; and other analysis related to AMI Systems design and vendor selection.

Phase one is nearing successful completion and staff is ready to move to phase two. Phase two of the project will include the following tasks:

- Procurement of over 7,000 smart meters
- Installation of smart meters
- Procurement and installation of data collection technologies including Tower Gateway Basestation (TGB), Regional Network Interface (RNI), Servers, Operating System, Software and Reporting Tools.
- Testing and integration of AMI System technologies

Phase two work will require extensive coordination of smart meter procurement and installation, technology procurement and deployment; testing and integration of components. Examples of tasks to be performed by Triton Water Technologies under phase two of project management include the following:

1. Develop and maintain project schedule
2. Provide monthly progress report to staff
3. Coordinate mobilization and start up of meetings
4. Oversee ordering materials
5. Ensure that equipment supplier and installation contractors are fulfilling contract requirements
6. Monitor materials delivery
7. Coordinate meter and AMI installations

8. Coordinate meter data collection and integration with billing system
9. Coordinate training of staff on new AMI System
10. Manage project close out

Triton Water Technologies has done excellent work assisting the City during phase one of this project. Staff is recommending that City Council approve a professional services contract with Triton Water Technologies to continue to serve as Project Manager during phase two implementation.

FISCAL IMPACT: The total estimated cost for the AMI systems implementation is \$3.0 million excluding any cost that may be incurred for changes to water lines as necessary to install the right size meter for a particular service address. The entire cost of the project will be funded with Water and Sewer Funds bond proceeds. The current five-year capital improvement program budget includes \$1.5 million as a place holder for the project. Additional funds will be requested as part of the mid year budget amendments. The not to exceed amount for the project management contract is \$247,000.

/ao- 74101

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, Interim City Manager 

PREPARED BY: Deborah DeGrado, Housing Manager 

DATE: November 18, 2009

SUBJECT: Proposed Projects for Use of Community Development Block Grant Funds (Program Year 2010-2011) Through the U. S. Department of Housing and Urban Development and the County of Riverside Economic Development Agency

RECOMMENDATION: Staff recommends the following projects be submitted for funding through the Community Development Block Grant Program for Program Year 2010-2011:

- 1. Norco Party Partners (\$10,000)**
- 2. Senior Citizens Recreation and Community Service Leader (\$10,000)**
- 3. Scout House ADA Restroom Improvements Phase II (\$60,000)**
- 4. Graffiti Abatement Program (\$50,000)**

SUMMARY: Applications for 2010-2011 Community Development Block Grant Funds are due to the Riverside County Economic Development Agency no later than December 11, 2009. The City has been asked to estimate funding needs based on funding for Program Year 2009-10, and is presenting funding applications for Council consideration based on an estimate. Final adjustments will be made to selected programs and projects once the actual allocation amount is known.

BACKGROUND/ANALYSIS: The City of Norco participates in the CDBG funding program and receives grant funding as a "cooperating city" through the County of Riverside. Recipients of CDBG funds may only use 15% of their annual allocation for Public Service programs. Public Service programs are social service programs and activities that improve the community's social services network such as crime prevention, child care, health care, education, recreational needs, and others.

Staff has not yet received an estimate of available funding for CDBG Program Year 2010-11; however the City will likely receive about \$18,000 for public service programs. The remaining funds (estimated to be \$110,000) must be used for Public Facilities projects.

Staff has distributed applications to interested parties. To be eligible for consideration the projects, programs and activities must meet one of the following national objectives:

1. The project or activity will benefit low- and/or moderate-income persons; or
2. The project will prevent or eliminate slum or blight; or
3. The project will meet a need having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community.

Staff received three applications for assistance by the deadline date. All applications meet the CDBG Program funding requirements for either Public Service or Public Facilities. Of the three applications, two request Public Service funds and one seeks Public Facilities funds. All applications are hereby presented to the City Council for funding consideration.

Applications for Public Service programs total \$20,000 which will probably exceed the amount that will be allocated to the City. The amount of \$110,000 is requested for Public Facilities projects. Projects recommended for funding are:

PUBLIC SERVICE PROGRAMS:

NORCO PARTY PARTNERS - DEVELOPMENTALLY CHALLENGED PROGRAM

2009-2010 Project Budget: \$54,000 **Funding Recommendation: \$10,000**

This program provides planned recreational and social activities for developmentally challenged adults 18 and older, and receives part of its funding through the City of Corona CDBG Program. Staff has submitted an application to the Corona for continued funding through its CDBG Program and expects to receive funding again for program year 2010-11. The balance of funding will come from the City's General Fund.

SENIOR CITIZENS RECREATION AND COMMUNITY SERVICE LEADER

2009-10 Project Budget: \$12,000 **Funding Recommendation: \$10,000**

This program provides a part-time staff person at the Norco Senior Center to coordinate senior activities and special events. In addition, the Senior Library Reading Program has been moved from the Norco Library to the Senior Center, and expanded to include reading, movies and discussion groups that the Rec Leader facilitates.

PUBLIC FACILITIES PROJECTS:

SCOUT HOUSE REHABILITATION PROJECT PHASE II – CITY OF NORCO

2010-2011 Project Budget: \$110,000 **Funding Recommendation: \$60,000**

The building known as the "Scout House" is currently used for youth programs at the Community Center Park. The building is seriously deteriorated and has numerous health and safety concerns. The current restrooms are not adequate, are in disrepair, and are not ADA accessible. The roof leaks in several places. The access to the facility is not ADA accessible, contains a ramp with an excessive pitch, and entry doors that cannot be

opened by the disabled. The building is heavily used for youth programs, and needs an update to put the building into safe and sanitary condition. This funding will supplement funding approved for project year 2009-2010.

GRAFFITI ABATEMENT PROGRAM – CITY OF NORCO
NEW PROJECT: Funding Recommendation: \$50,000

This proposed funding will cover the cost of a graffiti abatement trailer and portable surveillance equipment to be used by the Public Works and Parks Departments for prompt removal of graffiti on public property. Funds may also be used to pay a portion of salary for those employees directly responding to graffiti abatement cases.

TENTATIVE SCHEDULE FOR APPROVAL OF PROJECTS:

City Council Public Hearing	November 18, 2009
Deadline for submittal of applications to County	December 11, 2009
County Supervisors funding approval	May 15, 2010
Project/Program start date	July 1, 2010

FINANCIAL IMPACT: If funding is approved for the listed projects, there will be no impact to City Budget for these programs and services. If the EDA does not approve the projects as recommended, Staff will return to Council with changes suggested by the EDA for approval.

/dg- 74037

Due to the length of applications and repetition of material, applications are on file for review in the Housing Office.

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, Interim City Manager

PREPARED BY: Brian K. Petree, Director of Parks, Recreation & Community Services
William R. Thompson, Director of Public Works *wrt*

DATE: November 18, 2009

SUBJECT: Accept Bids, Award Contract, and Transfer Additional Funds for the Community Center Parking Lot Expansion and Hamner Avenue Improvements Project

RECOMMENDATION: 1.) Award the contract for the Community Center Parking Lot Expansion and Hamner Avenue Improvements Project to Hardy & Harper, Inc. in the amount of \$2,269,000, and authorize the City Manager to approve contract change orders up to 10 percent of the contract amount; and 2.) Adopt **Resolution No. 2009-___**, amending the 2009-2013 Capital Improvement Program Budget to transfer funds from various Street Improvement Fund sources to construct the Community Center Parking Lot Expansion and Hamner Avenue Improvements Project.

SUMMARY: Bids for the Community Center Parking Lot Expansion and Hamner Avenue Improvements Project were opened on September 30, 2009 with Hardy & Harper, Inc. being the lowest responsible bidder. It is recommended that the City Council award a contract to Hardy & Harper, Inc. in the amount of \$2,269,000. Additional funds are required to complete the Project and are available in the Street Improvement Fund.

BACKGROUND/ANALYSIS: Staff completed plans and specifications for bidding purposes and on September 30, 2009, bids were received. A total of fifteen (15) bids were received with the base bid ranging between \$2,399,000.00 and \$3,506,969.50 with the lowest responsible bid submitted by Hardy & Harper, Inc. This is twenty-one percent below staff's estimate of \$3,065,000.

The bid proposal also included three Additive Alternates. The first Additive Alternate was for the installation of a decorative bus shelter in the expanded Community Center parking lot. The second Additive Alternate was for the installation of an entry monument sign at the intersection of Hamner Avenue and Detroit Street. The final Additive Alternate was to perform the Hamner Avenue portion of the project during the night time hours to alleviate traffic congestion. The three Additive Alternates totaled \$148,000.00. It is staff's recommendation to award only the installation of the entry monument to the contractor at this time in the amount of \$45,000. The bus shelter and night work will be eliminated from this contract. Staff has met with

Award of Bid for the Community Center Parking Lot Expansion and Hamner Avenue
Improvements Project
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November 18, 2009

representatives from Hardy and Harper to discuss modifications to selected bid items reducing the original base bid approximately \$175,000. The modifications would include substituting the decorative parking standards and lamps (similar to Sixth Street) to a western style parking lot standard and lamps. Staff has requested slight modifications to the planned landscape irrigation and planting at this time. Therefore, the total contract cost for the project is \$2,269,000.

The contractor's license and references were checked and found to be satisfactory. The bid summary sheet has been attached for Council's review.

FINANCIAL IMPACT: \$592,000 is currently available in the CIP Park Improvement Fund (141) for the Community Center Parking Lot Expansion Project portion. A resolution has been prepared to appropriate an additional \$1,677,000 from the CIP Street Improvement Fund (149), of which \$727,000 has already been appropriated for the Hamner Avenue Improvements portion of this project (Items 1 - 4 listed on Exhibit "A"), to the CIP Park Improvement Fund (141).

/74135

Attachment: Bid Summary

RESOLUTION NO. 2009-____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO,
CALIFORNIA, AMENDING THE 2009-2013 CAPITAL IMPROVEMENT
PROGRAM TO TRANSFER FUNDS FROM VARIOUS STREET
IMPROVEMENT FUND SOURCES TO CONSTRUCT THE COMMUNITY
CENTER PARKING LOT EXPANSION AND HAMNER AVENUE
IMPROVEMENTS PROJECT**

WHEREAS, the improvements of the Community Center Parking Lot Expansion and Hamner Avenue Improvements Project will improve the overall aesthetics of the Community Center, the parking and circulation of the vicinity; and

WHEREAS, funding in the amount of \$592,000 is available through the current Five Year Capital Improvement Program Budget Park Improvements Fund; and

WHEREAS, additional funding in the amount of \$1,677,000 is required to complete the project and is available through various funds as listed on Exhibit "A."

NOW THEREFORE, BE IT RESOLVED that the amount of \$1,677,000 shall be transferred from the current Capital Improvement Program Budget Street Improvement Program Fund (Fund 149) to the Community Center Parking Lot Expansion Project (Fund 141) as listed on Exhibit "A."

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on November 18, 2009.

Mayor of the City of Norco, California

ATTEST:

Brenda K. Jacobs, City Clerk
City of Norco, California

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California do hereby certify that the foregoing Resolution was introduced and adopted by the City Council of the City of Norco at a meeting held on November 18, 2009 by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on November 18, 2009.

Brenda K. Jacobs, City Clerk
City of Norco, California

/74134
Attachment: Exhibit "A"

EXHIBIT A

1. **Fund Transfer No. 1.** \$262,000 is available in the approved 2009/10 Agency Capital Improvement Program Fund, Monument Entry and Way Finding Signs, Account No. 012-5500-43130, Project No. 4108-4.
2. **Fund Transfer No. 6.** \$200,000 is available in the approved 2009/10 Street Capital Improvement Program Fund, Hamner Ave. & Alhambra Traffic Signal, Account No. 149-930.43170, Project No. 4110-5.
3. **Fund Transfer No. 7.** \$190,000 is available in the approved 2009/10 Street Capital Improvement Program Fund, Sixth St. & Hamner Ave. Intersection Improvements, Account No. 149-930.43160, Project No. 4109-4.
4. **Fund Transfer No. 8.** \$75,000 is available in the approved 2009/10 Street Capital Improvement Program Fund, North Dr. Traffic Calming Improvements, Account No. 149-930.43160, Project No. 4925-2.
5. **Fund Transfer No. 2.** \$300,000 is available in the approved 2009/10 Street Capital Improvement Program Fund, Overlay, Unspecified Streets, Account No. 149-930A.43160, Project No. 4902-1.
6. **Fund Transfer No. 3.** \$150,000 is available in the approved 2009/10 Street Capital Improvement Program Fund, Widening, Unspecified Streets, Account No. 149-930.43160, Project No. 4904-1.
7. **Fund Transfer No. 4.** \$250,000 is available in the approved 2009/10 Street Capital Improvement Program Fund, Rehab and Overlay, Unspecified Streets, Account No. 149-930A.43160 and 149-930A-43160, Project No. 4921-7.
8. **Fund Transfer No. 5.** \$250,000 is available in the approved 2009/10 Street Capital Improvement Program Fund, Reconstruction, Unspecified Streets, Account No. 149-930-43160, Project No. 4928-12.